



**MONTE
DEI PASCHI
DI SIENA**
BANCA DAL 1472

MONTE DEI PASCHI

2025

Annual Report
as at 31 december 2025

Annual Report as at 31 December 2025



Banca Monte dei Paschi di Siena S.p.a.

Registered office in Piazza Salimbeni 3, Siena, Italy

Share Capital: € 17,978,187,186.85 fully paid in

Registered with the Arezzo – Siena Companies' Register – registration no. and tax code 00884060526

MPS VAT Group – VAT number 01483500524

Member of the Italian Interbank Deposit Protection Fund. Registered with the Register of Banks under no. 5274

Monte dei Paschi di Siena Banking Group, registered with the Register of Banking Groups.

This document in pdf format, does not fulfill the obligations deriving from Directive 2004/19/EC (the “Transparency Directive”) and Delegated Regulation (EU) 2019/815 (“ESEF Regulation – European Single Electronic Format) for which a dedicated XHTML format has been prepared.

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GOVERNING AND CONTROL BODIES

BOARD OF DIRECTORS

Nicola MAIONE	Chairperson
Gianluca BRANCADORO	Deputy Chairman
Luigi LOVAGLIO	Chief Executive Officer
Alessandra Giuseppina BARZAGHI	Director
Alessandro CALTAGIRONE	Director
Paola DE MARTINI	Director
Elena DE SIMONE	Director
Stefano DI STEFANO*	Director
Domenico LOMBARDI	Director
Paola LUCANTONI	Director
Raffaele ORIANI	Director
Marcella PANUCCI	Director
Francesca PARAMICO RENZULLI	Director
Renato SALA	Director
Barbara TADOLINI	Director

BOARD OF STATUTORY AUDITORS

Enrico CIAI	Chairperson
Lavinia LINGUANTI	Standing Auditor
Giacomo GRANATA	Standing Auditor
Paola Lucia Isabella GIORDANO	Alternate Auditor
Pierpaolo COTONE	Alternate Auditor

GENERAL MANAGEMENT

Luigi LOVAGLIO	General Manager
Maurizio BAI	Deputy Commercial General Manager

FINANCIAL REPORTING OFFICER Andrea Francesco Maffezzoni

INDEPENDENT AUDITORS PricewaterhouseCoopers S.p.A.

* The Director resigned on 10 February 2026

CONSOLIDATE ANNUAL REPORT

CONSOLIDATED REPORT ON OPERATIONS

General accounting standards

The Consolidated Report on Operations as at 31 December 2025 provides a description of the activities and results that most characterised the Group's management performance during the year, both as a whole and in the various business segments.

In particular, economic and financial indicators, based on accounting data, are those used in internal performance management and management reporting systems, and are consistent with the most commonly used metrics within the banking industry, thereby ensuring the comparability of presented figures.

The income statement and balance sheet have been reclassified based on presentation criteria that are more suitable for representing the contents of the items according to consistent operational criteria.

In addition, the Report incorporates non-financial company information providing the details on the activities, capital, risks and relations that are significant to the Group's current and future performance. This information is also detailed in corporate communications available on the Banca MPS website www.mps.it, such as the Report on Corporate Governance and Ownership Structure, the Remuneration Report, Pillar 3 Disclosure.

Results in brief

Below are the main income statement and balance sheet figures of the MONTEPASCHI GROUP as at 31 December 2025, calculated on the basis of the reclassified financial statement schedules, the methods of which are illustrated in the section "Income statement and balance sheet figures reclassification principles" of this Report, and compared with what was recorded in the previous year. The Alternative Performance Measures (APMs) identified by the Directors to facilitate the understanding of the economic and financial performance of the Group's operations are also presented. The APMs, constructed using the reclassified data reported in the chapters Reclassified income statement and Reclassified balance sheet, are based on accounting data, corresponding to those used in the internal performance management and management reporting systems, and consistent with the most widely used metrics in the banking sector, thereby ensuring the comparability of the figures presented. The APMs are not provided for under the international accounting standards IAS/IFRS and, although calculated on financial statement data, are not subject to full or limited statutory audit.

These measures take into account the Guidelines provided by the European Securities and Markets Authority (ESMA) on 5 October 2015, which the Italian stock exchange regulator, Consob, incorporated into its supervisory practices (Communication no. 0092543 of 3 December 2015), applicable from 3 July 2016. With reference to the context resulting from the military conflict between Russia and Ukraine, note that, in line with ESMA guidelines, no new indicators were introduced, nor were changes made to the indicators normally used. It should be noted that the definition and calculation methods are provided for each APM; the amounts used are traceable through the information contained in the tables below or in the reclassified financial statement schedules contained in this Consolidated Report on Operations. These statements have been prepared on the basis of the financial statement templates set out in Bank of Italy Circular No. 262/2005 and subsequent updates, following the same aggregation and classification criteria applied in the previous year, except for the use of a different technical format for the representation of certain funding transactions within the "Direct funding" aggregate, as more fully illustrated in the section "Income statement and balance sheet figures reclassification principles" of this Consolidated Management Report. The analytical details of the reclassifications made with respect to the financial statement templates under Bank of Italy Circular No. 262/2005 are provided in separate reconciliation schedules included among the annexes to this document, in compliance with Consob Communication No. 6064293 of 28 July 2006.

INCOME STATEMENT AND BALANCE SHEET FIGURES					
MONTEPASCHI GROUP					
31 12 2025					
INCOME STATEMENT FIGURES (EUR mln)	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)	31 12 2024 (d)	Chg. (c) (d)
Net interest income	2,654.4	472.6	2,181.8	2,355.8	-7.4%
Net fee and commission income	1,792.3	206.3	1,586.0	1,465.3	8.2%
Other income from banking business	487.2	190.3	296.9	206.9	43.5%
Other operating income and expenses	22.6	13.5	9.1	5.7	59.6%
Total Revenues	4,956.6	882.7	4,073.9	4,033.8	1.0%
Operating expenses	(2,303.9)	(419.0)	(1,884.9)	(1,869.1)	0.8%
Cost of customer credit	(399.0)	(70.1)	(328.9)	(409.5)	-19.7%
Other value adjustments	(1.7)	(2.1)	0.4	(6.7)	n.m.
Net operating income (loss)	2,252.0	391.5	1,860.5	1,748.5	6.4%
Non-operating items	(176.0)	(15.9)	(160.1)	(304.0)	-47.3%
Parent company's net profit (loss) for the year	2,715.7	(34.2)	2,749.9	1,950.8	41.0%
EARNINGS PER SHARE (EUR)					
Basic earnings per share	1.537	n.a.	1.537	1.549	-0.8%
Diluted earnings per share	1.537	n.a.	1.537	1.549	-0.8%

BALANCE SHEET FIGURES (EUR mln)	31 12 2025			31 12 2024 (d)	Chg. (c) (d)
	Montepaschi Group (a)	of which: Mediobanca Group (b)*	Consolidated figure net of Mediobanca Group (c)=(a)-(b)		
Total assets	241,640.5	112,302.0	129,338.5	122,601.7	5.5%
Loans to customers	142,842.3	61,312.0	81,530.3	77,309.6	5.5%
Direct funding	166,340.8	68,818.8	97,522.0	93,971.9	3.8%
Indirect funding	194,644.7	84,999.0	109,645.7	103,237.8	6.2%
of which: assets under management	117,276.6	53,929.2	63,347.4	59,924.0	5.7%
of which: assets under custody	77,368.1	31,069.8	46,298.3	43,313.8	6.9%
Group net equity	27,961.2	14,737.4	13,223.8	11,649.0	13.5%

OPERATING STRUCTURE	31 12 2025			31 12 2024 (d)	Chg. (c) (d)
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)		
Total headcount - end of period	22,079	5,533	16,546	16,727	(181)
Number of branches in Italy	1,549	291	1,258	1,312	(54)

ALTERNATIVE PERFORMANCE MEASURES			
MONTEPASCHI GROUP		31 12 2025	31 12 2024
PROFITABILITY RATIOS (%)			Chg.
Cost/Income ratio		46.5	46.3
ROE (on average equity)*		22.1	18.0
Return on Assets (RoA) ratio*		2.1	1.6
ROTE (Return on tangible equity)*		22.4	18.3
CREDIT QUALITY RATIOS (%)		31 12 2025	
		Montepaschi Group	Consolidated figure net of Mediobanca Group
31 12 2024			
Net NPE ratio		1.3	1.8
Gross NPL ratio		2.4	3.0
Rate of change of non-performing loans to customers			(19.2)
Bad loans to customers/ Loans to Customers		0.3	0.5
Loans to customers measured at amortised cost - Stage 2/Performing loans to customers measured at amortised cost		7.8	11.3
Coverage of non-performing loans to customers		53.8	49.7
Coverage of bad loans to customers		65.3	63.1
Provisioning**		0.40	0.53
Texas Ratio		15.7	21.7

* These profitability indicators do not include the Mediobanca Group's figures in either the numerator or the denominator.

** Given the nature of these indices, the figure including the contribution of the Mediobanca Group is not shown, as the numerator and denominator would not be consistent.

Cost/Income ratio: ratio between Operating expenses (Administrative expenses and net impairment losses on property plant and equipment and intangible assets) and Total revenues (for the composition of this aggregate, see the reclassified income statement).

Return On Equity (ROE): ratio between the Group Net profit (loss) for the year and the average between the shareholders' equity (including Profit and Valuation Reserves) at the end of year and the shareholders' equity at the end of the previous year.

Return On Assets (ROA): ratio between the Net profit (loss) for the year and the Total assets at the end of the year.

Return On Tangible Equity (ROTE): ratio between the Net profit (loss) for the year and the average between the tangible shareholders' equity¹ at the end of year and that at the end of the previous year.

Net NPE Ratio: ratio between net non-performing exposures to customers and total net exposures to customers, both net of assets held for sale (excluding government securities).

Gross NPE Ratio²: Gross impact of non-performing loans (NPLs) calculated as the ratio between gross non-performing exposures to customers and banks³, net of assets held for sale, and total gross loans to customers and banks, net of assets held for sale.

Rate of change in non-performing loans to customers: represents the annual growth rate of gross non-performing loans to customers, based on the difference between comparable annual stocks (excluding the data of the Mediobanca Group)).

Coverage of non-performing loans to customers and coverage of bad loans to customers: The *coverage ratio* for non-performing loans to customers and bad loans to customers is calculated as the ratio of the related impairment provisions to the corresponding gross exposures.

Provisioning: ratio between the cost of customer credit and the sum of Loans to customers⁴ and the value of Securities deriving from transfer/securitisation transactions of non-performing loans.

Texas Ratio: ratio between Gross non-performing loans to customers and the sum, in the denominator, of the relative loss provisions and Tangible Shareholders' Equity.

REGULATORY MEASURES			
MONTEPASCHI GROUP			
CAPITAL RATIOS (%)	31 12 2025	31 12 2024	Chg.
Common Equity Tier 1 (CET1) ratio - phase in	16.2	18.3	-2.1
Common Equity Tier 1 (CET1) ratio - fully loaded	16.2	18.2	-2.0
Total Capital ratio - phase in	18.4	20.6	-2.2
Total Capital ratio - fully loaded	18.4	20.5	-2.1
MREL-TREA (total risk exposure amount)*	29.4	28.5	0.9
MREL-LRE (leverage ratio exposure)*	10.5	11.2	-0.7
FINANCIAL LEVERAGE INDEX (%)	31 12 2025	31 12 2024	Var.
Leverage ratio - transitional definition	6.2	7.2	-1.0
Leverage ratio - fully phased	6.2	7.2	-1.0
LIQUIDITY RATIO (%)	31 12 2025	31 12 2024	Var.
LCR	167.4	166.5	0.9
NSFR	120.8	134.1	-13.3
Asset encumbrance ratio	27.8	22.6	5.2
Loan to deposit ratio	85.9	82.3	3.6
Spot counterbalancing capacity (bn of Eur)**	33.5	33.0	0.5

* Based on the indications received from the SRB, and pending the allocation of the new Group MREL targets consistent with the current post-acquisition scope, MREL requirements will continue to be monitored on a standalone basis, i.e., on the basis of the MPS Group scope reconstructed to exclude the acquisition of Mediobanca.

** The figure as at 31 December 2025, to ensure a like-for-like comparison with the comparative figure, excludes data relating to the Mediobanca Group.

In determining capital ratios, the “**phase-in**” (or “transitional”) version represents the application of calculation rules according to the regulatory framework in force at the reporting date, while the “**fully loaded**” version does not incorporate

¹ Book Value of Group Shareholders' Equity inclusive of profit (loss) for the year, net of goodwill and other intangible assets. The figure as at 31 December 2025 does not include the balances of the Mediobanca Group.

² EBA Risk Dashboard.

³ Loans to banks include current accounts and sight deposits with banks and central banks classified under the item “Cash” in balance sheet assets.

⁴ Loans to customers do not include the balances of the Mediobanca Group as at 31 December 2025.

the effects of the prudential filter related to the Other Comprehensive Income Reserve on government securities. In any case, this indicator incorporates the effects of the transitional regime introduced by CRR3 on risk-weighted assets.

Common equity Tier 1 (CET1) ratio: ratio between Common Equity Tier 1 and total Risk-Weighted Assets.

Total Capital ratio: ratio between Own Funds and total Risk-Weighted Assets.

MREL-TREA: calculated as the ratio of the sum of own funds and eligible liabilities to total Risk-Weighted Assets.

MREL-LRE: calculated as the ratio of the sum of own funds and eligible liabilities to the amount of total leverage exposures.

Financial Leverage Ratio: calculated as the ratio between Tier 1 Capital and total exposures, in accordance with the provisions of Article 429 of Regulation 575/2013.

Liquidity Coverage Ratio (LCR): short-term liquidity indicator corresponding to the ratio between the amount of High-Quality Liquid Assets and the total net cash outflows in the subsequent 30 calendar days.

Net Stable Funding Ratio (NSFR): structural 12-month liquidity indicator corresponding to the ratio between the available stable funding amount and the required stable funding amount.

Asset encumbrance ratio: ratio of the total carrying amount of encumbered assets and collateral received reused to total assets and total guarantees received available.

Loan to deposit ratio: ratio between Net Loans to Customers and Direct Funding (due to customers and debt securities issued).

Spot counterbalancing capacity⁵: sum of items that are certain and free from any commitment that the Group can use to meet its liquidity requirements, consisting of financial and commercial assets eligible for purposes of refinancing operations with the European Central Bank ("ECB") and assets deposited in the collateralised interbank market (MIC) and not used, to which the haircut, published on a daily basis by the ECB, is prudentially applied.

⁵ The value as at 31 December 2025, for the purpose of ensuring a consistent comparison with the comparative figure, does not include the data of the Mediobanca Group.

Executive summary

A summary of the trend in the main income statement and balance sheet aggregates of the Group as at 31 December 2025 is provided below.

- **Net interest income** amounted to **EUR 2,654 mln**. Net of the contribution relating to the Mediobanca Group (EUR +473 mln), the aggregate stands at EUR 2,182 mln, compared with EUR 2,356 mln in the previous year reflecting, in customer business, the reduction in interest rates by the ECB despite the increase in average lending volumes. This effect was only partially offset by lower interest expenses on debt securities issued (by EUR 9.8 mln); in detail, the latter benefited from the lower cost of institutional funding.
- **Net fee and commission income** amounted to **EUR 1,792 mln**. Net of the contribution relating to the Mediobanca Group (EUR +206 mln), Net fee and commission income stands at EUR 1,586 mln, up compared with the previous year (+8.2%, equal to EUR +120.7 mln). A positive performance was recorded in both management/brokerage and advisory activities (+13.3%, equal to EUR +94.7 mln) and in commercial banking activity (+3.5%, equal to EUR +26.0 mln). In particular, within the first fee and commission area, increased contributions came from portfolio distribution and management components (EUR +72.8 mln), brokerage and placement of securities and currencies (EUR +14.9 mln) and distribution of insurance products (EUR +8.5 mln). In the commercial banking area, positive contributions came from loan-related commissions (EUR +20.1 mln), ATM and credit card service commissions (EUR +8.3 mln), guarantee-related commissions (EUR +3.2 mln), and other fee and commission income (EUR +6.6 mln); however, commission income from current accounts declined (EUR -12.3 mln), while commissions on collection and payment services were broadly stable (EUR +0.2 mln).
- The **Other income from banking business** amounted to EUR 487 mln. Excluding the contribution attributable to the Mediobanca Group, Other income from banking business amounted to EUR 297 mln, recording an increase of 43.5% (equal to EUR 90.0 mln) compared with 31 December 2024. The trend mainly reflects the gains achieved through strategies aimed at optimising financial portfolios.
- Other operating income/expenses, equal to EUR +23 mln, include the contribution attributable to the Mediobanca Group (equal to EUR +14 mln). Net of the acquired group, Other operating income/expenses amounted to EUR +9 mln, up compared with EUR +6 mln recorded as at 31 December 2024.
- Following the trends described above, Total revenues stand at EUR 4,957 mln. Excluding the contribution of the Mediobanca Group, equal to EUR 883 mln, Revenues amounted to EUR 4,074 mln, up compared with those recorded in the previous year (+1.0%, equal to EUR +40.1 mln).
- **Operating expenses** amounted to **EUR 2,304 mln**; net of the component relating to the acquired group, operating expenses stood at EUR 1,885 mln, up compared with 31 December 2024 (+0.8%, equal to EUR 15.8 mln), mainly due to the effects of the renewal of the National Collective Labour Agreement (CCNL) for the banking sector on personnel expenses, partially offset by the efficient management of Other administrative expenses. In particular, within the aggregate, **Personnel expenses** amounted to **EUR 1,521 mln**, including the contribution of the Mediobanca Group amounting to EUR 240 mln. On a consistent perimeter, the aggregate showed an increase compared with the previous year (+4.3%), mainly due to the expenses connected with the second and third salary increases provided for by the aforementioned renewal of the CCNL for the banking sector (effective from 1 September 2024 and 1 June 2025, respectively) and higher accruals for the variable component of remuneration, in line with the 2024-2028 Strategic Plan. **Other administrative expenses** amounted to **EUR 596 mln**, including an amount of EUR 150 mln attributable to the Mediobanca Group. On a consistent perimeter, a decrease compared with 31 December 2024 (-5.0%) was observed, also thanks to the ongoing implementation of a rigorous expenditure governance process and a focus on cost-optimisation actions. **Net impairment losses on property, plant and equipment and intangible assets** amounted to **EUR 187 mln** as at 31 December 2025. Excluding the contribution attributable to the Mediobanca Group, the aggregate amounted to EUR 158 mln, down on the previous year (-7.6%).
- The **Cost of customer credit** amounted to EUR 399 mln. Excluding the contribution of the Mediobanca Group, Cost of customer credit amounted to EUR 329 mln, down from EUR 410 mln recorded in 2024, mainly thanks to lower transfers from *performing* to non-performing loans. **Provisioning Rate (net of the contribution of the Mediobanca Group)** amounted to 40 bps (53 bps as at 31 December 2024).

- **Net operating income** as at 31 December 2025 amounted to **EUR 2,252 mln**. Net of the contribution attributable to the Mediobanca Group, net operating income amounted to EUR 1,860 mln and was up by 6.4% compared with the previous year.
- In addition to the changes in the above-mentioned economic aggregates, the **non-operating items** amounted to EUR -176 mln as at 31 December 2025. Net of the contribution of the Mediobanca Group, non-operating items stood at EUR -160 mln, compared with EUR -304 mln in 2024. These items include: **Net Provisions for Risks and Charges**, equal to EUR -18 mln (EUR -68 mln as at 31 December 2024); **Other gains/losses on equity investments**, with a nil result as at 31 December 2025 (EUR -1 mln as at 31 December 2024); **Restructuring costs**, amounting to EUR -28 mln (EUR -72 mln as at 31 December 2024); **Extraordinary transaction/integration costs**, amounting to EUR -40 mln; costs related to the **SRF, DGS and similar schemes**, amounting to EUR -8 mln as at 31 December 2025 (EUR -78 mln as at 31 December 2024); **DTA fee**, amounting to EUR -57 mln (EUR -61 mln as at 31 December 2024); **Net gains (losses) on property, plant and equipment and intangible assets measured at fair value**, amounting to EUR -22 mln (EUR -27 mln as at 31 December 2024); **Gains/losses on disposal of investments**, amounting to EUR +5 mln as at 31 December 2025 (EUR +4 mln as at 31 December 2024).
- As a result of these trends, combined with the positive impact of income taxes for the year of EUR 961 mln, the Group recorded a **Profit pre-PPA for the year attributable to the Parent Company** amounting to **EUR 3,036 mln**. Net of the contribution attributable to the Mediobanca Group (amounting to EUR +286 mln), the **Profit pre-PPA for the year attributable to the Parent Company** amounted to EUR 2,750 mln, up on the profit of EUR 1,951 mln in the previous year.
- Taking into account the net effects of the Purchase Price Allocation, equal to EUR -321 mln, the **Parent Company's Profit for the year** amounted to EUR 2.716 mln. Profit for the fourth quarter of 2025, on a consistent perimeter, amounted to EUR 1,384 mln, compared with EUR 474 mln in the previous quarter.
- As at 31 December 2025, the volumes of **Total funding** of the Group, including the contribution attributable to the Mediobanca Group, amounted to **EUR 361 bn**, up by EUR 3.4 bn compared with 30 September 2025 on the same perimeter, both for Direct funding and for Indirect funding. The volumes of Direct funding of the Group, including the contribution attributable to the Mediobanca Group, amounted to EUR 166.3 bn, up by EUR 1.1 bn compared with 30 September 2025. The growth mainly concerned current accounts (EUR +1.5 bn) and bonds (EUR +1.2 bn), while repos fell (EUR -1.1 bn) and, to a lesser extent, time deposits (EUR -0.3 bn) and other forms of direct funding (EUR -0.1 bn). As at 31 December 2025, the Indirect funding of the Group amounted to EUR 194.6 bn, including the contribution attributable to the Mediobanca Group, up by EUR 2.3 bn compared with 30 September 2025 on a consistent perimeter, with an increase both in assets under management (EUR +2.0 bn) and assets under custody (EUR +0.3 bn); The positive trend was driven by positive net inflows and market effect.

Net of the contribution of the Mediobanca Group (equal to EUR 153.8 bn), **Total funding** amounted to EUR 207 bn, up compared with 31 December 2024 (EUR +10.0 bn) thanks to growth, also in this case, in both Direct funding (EUR +3.6 bn) and Indirect funding (EUR +6.4 bn). The growth in Direct funding concerned current accounts (EUR +3.6 bn) and bonds (EUR +1.0 bn), while repos fell (EUR -1.0 bn) and, to a lesser extent, time deposits (EUR -0.2 bn); the other forms of direct funding remained broadly stable. The growth of Indirect funding compared to the previous year-end is driven by both assets under management (EUR +3.4 bn) and assets under custody (EUR +3.0 bn). Both components also benefited from market effects and positive net inflows.
- Group **Loans to customers**, including the contribution from Mediobanca, amounted to **EUR 142.8 bn**, up compared to 30 September 2025 (EUR +2.2 bn). The growth in mortgages (EUR +2.7 bn) and other loans (EUR +2.3 bn) was only partially offset by the decline in repurchase agreements (EUR -2.1 bn), current accounts (EUR -0.6 bn) and non-performing loans (EUR -0.2 bn). Net of the contribution from the Mediobanca Group (equal to EUR 61.3 bn), the aggregate amounted to EUR 81.5 bn, up by EUR 4.2 bn compared to 31 December 2024, mainly as a result of the growth in mortgages (EUR +4.2 bn). Other loans (EUR +0.4 bn) and repos (EUR +0.2 bn) also increased, while current accounts (EUR -0.2 bn) and non-performing loans (EUR -0.3 bn) declined.
- As at 31 December 2025, the **coverage ratio of non-performing exposures** (including the contribution from the Mediobanca Group) stood at 53.8%, up compared to the figure recorded as at 30 September 2025 (equal to 51.6%). In particular, the coverage ratio of non-performing exposures increased from 65.2% to 65.3%, that of Unlikely to pay exposures from 44.9% to 47.4%, and that of Non-performing past-due loans from 53.9% to 58.2%..

For the perimeter net of the acquired group, the coverage percentage of non-performing loans stood at 49.7%, slightly up compared to 31 December 2024 (equal to 48.5%). At the level of individual administrative states, the percentage coverage of Unlikely to pay exposures (whose coverage increased from 38.8% to 42.7%) and of Non-performing past-due loans (which increased from 26.3% to 28.3%) rose; On the other hand, the percentage of coverage of bad loans decreased (the coverage fell from 66.5% to 63.1%).

With regard to capital ratios, as at 31 December 2025, the **Common Equity Tier 1 Ratio** stood at **16.2%** (compared to 17.0% at 30 September 2025 and 18.3% at 31 December 2024), and the **Total Capital Ratio** stood at **18.4%** (compared to 19.4% at 30 September 2025 and 20.6% at 31 December 2024). As at 31 December 2025, CET1 does not include profit for the year, assuming a dividend pay-out of up to 100% of the MPS Group's net profit.

Group overview

The Montepaschi Group is the banking group headed by Banca Monte dei Paschi di Siena S.p.A., listed on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A., with registered office at Piazza Salimbeni 3, Siena.

Following completion of the public tender and exchange offer launched by Banca Monte dei Paschi di Siena S.p.A. for Mediobanca – Banca di Credito Finanziario S.p.A., from 15 September 2025 the scope of the Montepaschi Group expanded, increasing the diversification of its business areas and reference markets, previously focused on the traditional retail & commercial banking services carried out mainly in Italy.

The Group is therefore active in the **Retail & Commercial Banking, Wealth Management** (including the digital and self-service services system, enhanced by the expertise of the financial advisor networks), **Corporate & Investment Banking, Specialty Finance** and **Consumer Finance**. The Group also operates in **Insurance** segments through the stake in Assicurazioni Generali and its strategic partnership with AXA, and provides support activities and fiduciary services carried out through specialised companies.

Foreign operations are focused both on supporting customers' corporate internationalisation processes and on Wealth Management activities, also through Mediobanca's foreign subsidiaries, and involve the main foreign financial markets.

In addition to the above, there are also companies operating in the agricultural sector, both wine and food, with a real estate component destined for agritourism and accommodation activities (MPS Tenimenti Poggio Bonelli and Chigi Saracini Società Agricola S.p.A.) and food custodian and storage services for third parties (Magazzini Generali).

Intragroup transactions mainly concern financial support provided by the Parent Company to the other subsidiaries, mostly in the form of deposits, outsourcing services relating to auxiliary activities provided by the Parent Company (administrative services and property management) and the distribution of Compass products through the Parent Company's sales network.

The description of the main transactions carried out by the Parent Company with its subsidiaries and associates is provided in Part H of the Notes to the Separate Financial Statements of the Parent Company.

Shareholders

As at 31 December 2025, the share capital of the Parent Company Banca Monte dei Paschi di Siena S.p.A. amounts to EUR 17,978,187,186.85, divided into 3,038,418,183 ordinary shares.

According to the disclosures received pursuant to the applicable legislation on significant shareholdings (Article 120 of the Consolidated Law on Finance – TUF), and based on the information published on the institutional website of CONSOB, the following parties are reported, as at 31 December 2025, to have directly and/or indirectly held ordinary shares representing more than 3% of the share capital of the issuer BMPS, and not falling within the exemption cases provided for under Article 119 bis of the Issuers' Regulation:

Major shareholders of BMPS as at 31 December 2025

Declarant	% of shares held on the ordinary share capital (*)
Delfin S.A.R.L.	17.533%
Francesco Gaetano Caltagirone Group (**)	10.262%
BlackRock, Inc. (***)	5.021%
MEF – Ministry of Economy and Finance	4.863%
Banco BPM S.p.A. (****)	3.741%

(*) The percentages indicated herein have been calculated on the basis of the number of shares representing the share capital, taking into account the execution of the overall paid-in capital increase serving the voluntary public tender and exchange offer launched by BMPS for all the ordinary shares of Mediobanca pursuant to Articles 102 and 106, paragraph 4, of the Consolidated Law on Finance (TUF), as filed and registered with the Companies Register on 29 September 2025.

(**) Shareholdings and voting rights held through 24 companies.

(***) Shareholdings and voting rights held by way of "non-discretionary asset management" through 15 companies belonging to the BlackRock Group, as reported through Form 120/A of 13 November 2025.

(****) Shareholdings also held through Anima Holding S.p.A. and Banco BPM Vita S.p.A.

Information on the BMPS share

The BMPS share closed the fourth quarter of 2025 at EUR 9.13, with period growth of +21.1%, while the FTSE All Share Banks index showed an increase of +9.9% and the FTSE MIB recorded an increase of +5.2%. Over the course of the quarter, the average daily volume of MPS securities traded stood at approximately 30.3 mln units.

SHARE PRICE SUMMARY STATISTICS (from 30/09/2025 to 31/12/2025)	
Average	7.93
Minimum	6.98
Maximum	9.13

Rating

Moody's:

During the fourth quarter of 2025, on 1 October 2025, Moody's upgraded the long-term deposits rating to "Baa1" (from "Baa2") and the senior unsecured debt rating to "Baa3" (from "Ba1"), in the investment grade area. The Baseline Credit Assessment (BCA) was confirmed at "ba1". The outlook was confirmed as positive, considering that Moody's expects the improvement in the financial profile to continue with the integration of Mediobanca.

The rating review, including the "Other short term rating" at (P) Prime-3, reflects the successful completion of the takeover and exchange offer for Mediobanca and the creation of a new, larger and more diversified banking group. The upgrade of the long-term deposit and senior unsecured debt ratings takes into account, in addition to the confirmation of MPS's BCA rating, the results of the Loss Given Failure analysis, which reflect the improved combined financial profile of the new group.

Ratings as at 31 December 2025:

Rating agency	Last revision date	Short term-Debt	Long-term Debt (Senior Unsecured)	Long-term Deposits	Outlook (Senior Unsecured/Deposits)	Baseline Credit Assessment	Subordinated Debt
Moody's	01/10/25	(P)Prime-3	Baa3	Baa1	Positive	Ba1	Ba2

Fitch Ratings:

During the fourth quarter of 2025, the rating agency did not make any updates to the Bank's ratings.

Ratings as at 31 December 2025:

Rating agency	Last revision date	Short-term Issuer Default Rating	Long-term Issuer Default Rating	Outlook (Long-term IDR)	Long-term Deposits	Viability rating	Subordinated Debt
Fitch	04/07/25	F3	BBB-	Stable	BBB	bbb-	BB

Morningstar DBRS:

In the fourth quarter of 2025, on **2 October 2025**, the rating agency Morningstar DBRS again upgraded the Bank's ratings, strengthening the investment grade and raising, among others, the Long-Term Issuer rating and the Long-Term Senior Debt rating to "BBB" from "BBB (low)", while at the same time increasing the Long-Term Deposit rating to "BBB (high)". The agency has also raised certain short-term ratings, including the Short-Term Issuer rating, now at "R-2 (high)" from "R-2 (middle)". The outlook on long-term ratings remained positive.

The upgrade and confirmation of the positive outlook reflect the Bank's ability to generate sustainable earnings, also thanks to the strength of its commercial activity, and the improvement in credit quality. Morningstar DBRS's decision also takes into account the successful completion of the takeover and exchange offer for Mediobanca and the creation of a new, larger and more diversified banking group supported by both brands, with total assets of around EUR 230 bn at the end of June 2025.

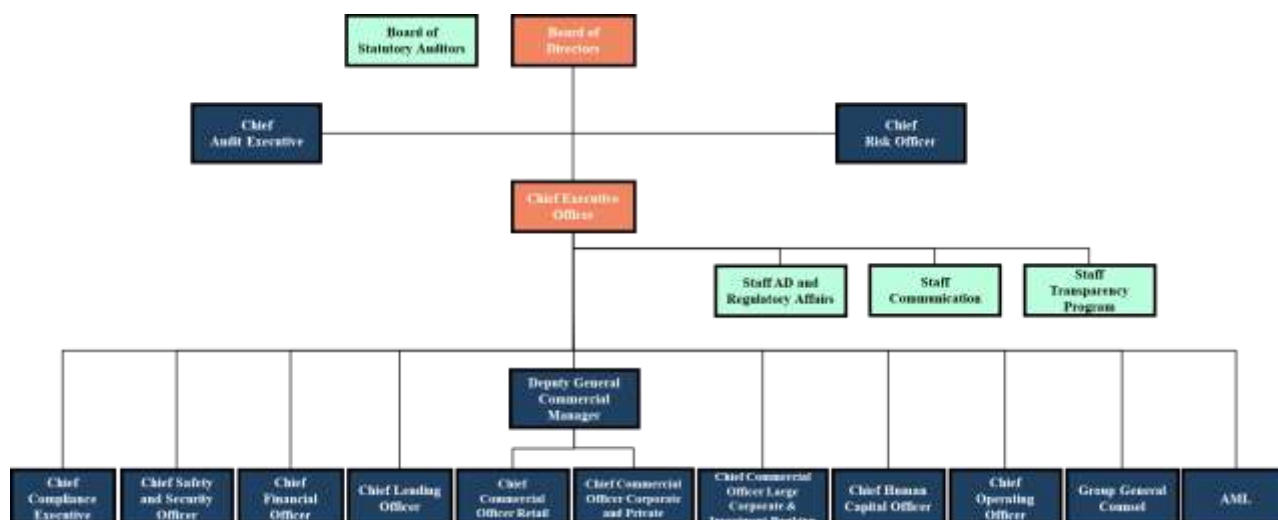
Ratings as at 31 December 2025:

Rating agency	Last revision date	Short-term Issuer Rating	Long-term Issuer Rating	Long-term Deposits	Subordinated Debt	Outlook	Intrinsic Assessment
Morningstar DBRS	02/10/25	R-2 (high)	BBB	BBB (high)	BB (high)	Positive	BBB

Organisational structure

Through its Head Office, Banca Monte dei Paschi di Siena performs functions of direction, coordination and control over the Group's companies, as part of the more general guidelines set out by the Board of Directors and in the interest of the Group's stability.

Organisational chart of the Parent Company's General Management as at 31 December 2025



2025 was characterised by completion of the organisational path envisaged by the Industrial Plan for Head Office and the Commercial Network, as well as certain minor organisational actions.

In January 2025, 53 branches were closed, with the existing customers and relationships being transferred to an equal number of incorporating branches.

In April 2025, the organisational level of the AML Function was aligned with that of the Heads of the other Corporate Control Functions.

In July 2025, the Premium Top Service Model was introduced in 463 branches, with the aim of improving the level of specialisation dedicated to supporting high-net-worth Retail customers.

In August 2025, the Bank's mortgages segment was transformed, with a view to digitalisation, automation and overall efficiency, through the creation of the "Mortgages and Loans to Individuals" hub and a centralised "Retail Mortgage Origination" hub;

In September 2025, the Chief Risk Officer's organisation was reviewed, aimed at regrouping activities and responsibilities more efficiently by homogeneous streams and risk type, completing the strengthening path for the following activities:

- identification, modelling, measurement, management and reporting;
- monitoring of own risks under Pillar 1 and Pillar 2 and the related internal quantification models;
- assignment of ratings to counterparties and second-level controls on credit exposures;
- monitoring of customer risks.

With respect to Network processes, actions continued to improve the quality of work, free up more time that could be dedicated to sales activities and increase customer service quality, while reducing service response/provision times by streamlining "administrative" activities and document management costs, with a significant effort toward increasing digitalisation of processes.

Governance & control systems

Corporate governance

The Parent Company's corporate governance takes into account the objective of creating a system of coordinated rules and units capable of guaranteeing transparent and accurate management of relations with shareholders as well as between them and the directors and top management.

The Parent Company's bodies work so as to pursue the overall proper functioning of the business.

By means of a fair and transparent corporate governance system and a shared Code of Ethics, the Parent Company has set rules to ensure that the legitimate expectations of all stakeholders, particularly with regard to environmental, social and governance sustainability profiles, are integrated into the company's objectives and strategies.

The overall corporate governance system refers to the current code, banking and financial supervisory regulations, the Corporate Governance Code to ensure a clear separation of roles and responsibilities, the appropriate balancing of powers, balanced composition of corporate bodies, effective controls, monitoring of business risks, adequacy of information flows and corporate social responsibility.

The Bank adopts the traditional administration and control model characterised by the presence of a Board of Directors and a Board of Statutory Auditors, appointed by the Shareholders' Meeting. In addition, there are: In addition, the following were also present: the CEO, who is also the General Manager, and four Board committees, specifically, the Risk and Sustainability Committee, the Appointments Committee, the Remuneration Committee and Related-Party Transactions Committee.

In compliance with the provisions of Italian Legislative Decree no. 231/2001, the Parent Company has also established a 231 Supervisory Body entrusted with the task of supervising the functioning and observance of the Model 231, as well as managing its updating.

The Parent Company decided to assign the role of the 231 Supervisory Body to an ad hoc collegial unit separate from the Board of Statutory Auditors, which is "mixed" in nature and consists of three members, including two outside professionals and one board member who meets the requirements of independence.

The Parent Company's internal control system is meant to ensure that risks are identified, measured, managed and monitored in such a way so as to enable sound, proper business management in line with pre-established objectives.

For further information on *governance*, including with regard to the topic of *diversity* in corporate bodies, please refer to the "Report on Corporate Governance and Ownership Structure", available on the Parent Company's website (<https://www.gruppomps.it/corporate-governance/relazioni-corporate-governance.html>).

Compliance systems

As part of the broader internal control system, the Parent Company's Compliance Function autonomously and independently governs non-compliance risk for the Parent Company and for the subsidiaries Banca Widiba and MP Fiduciaria, periodically reporting to the corporate bodies and Supervisory Authorities on the overall compliance status of systems, processes and operations.

In the third quarter of 2025, following the favourable outcome of MPS's acquisition of the Mediobanca Group, combination activities were launched. In this context, as at 31/12/2025, in relation to the tasks established within the internal control system, the Parent Company's Compliance Function defined the flows produced by Mediobanca's corresponding function, which coordinates the activities of the companies it controls, ensuring adequate monitoring to enable the Parent Company to guarantee unified direction of the Group.

During 2025, Compliance continued its efforts to monitor regulatory developments and to maintain ongoing dialogue with the Supervisory Authorities, ensuring compliance with regulatory provisions and supporting the company's strategic initiatives. The activities were carried out in a context of continuous updates to the external regulatory framework, with a particular focus on the following areas:

- Implementation of the EMIR remedial plan and Finance Reporting, aimed at strengthening compliance controls;
- Management of regulatory developments in ESG, with reference to the review of the SFDR Regulation for investment products, initiatives on consumer credit and mortgage products, as well as financing product development activities;
- Implementation of remedial actions linked to the outcomes of the Bankit branch inspection concerning PAD (Payment Account Directive);
- Corrective actions concerning disputes on card payments, aimed at ensuring greater protection and security in transactions;
- Regulatory compliance in IT, with the implementation of risk mitigation actions identified by the ECB in the "Deep Dive on Digitalisation", the "Cyber Resilience Stress Test 2024" and the "Thematic Review on Outsourcing".

In addition, design and regulatory compliance activities were followed up, with particular reference to:

- strengthening the security of processes for managing access to customer data by optimising control tools for monitoring operations;
- strengthening the automation of Compliance processes, through Robotic Process Automation solutions to acquire an automated and customised flow for updating the legal inventory and regulatory requirements within the MPS monitoring perimeter;
- the implementation of an Antitrust Programme was launched in order to ensure awareness of risks in carrying out business activities and as a mitigation measure for the risk of committing offences in matters falling within the scope of Law 187/90 and the Consumer Code.

Lastly, additional activities were also carried out during the year, particularly in matters related to:

- the testing of Generative Artificial Intelligence (AI) solutions aimed at regulatory gap analysis;
- the implementation of additional continuous monitoring tools, including the development of Robotic Process Automation (RPA) solutions for reporting and internal monitoring activities.

Distribution channels

The Group operates with a view to developing and rationalising its distribution network, by combining regional coverage with the strengthening of innovative channels.

From 15 September 2025, the scope of the Montepaschi Group expanded following completion of the public tender and exchange offer launched by Banca Monte dei Paschi di Siena S.p.A. for Mediobanca – Banca di Credito Finanziario S.p.A.

At the end of 2025, the Group's Italy Network comprised 1,549 branches registered with the Supervisory Authority, of which 291 relate to the Mediobanca Group.

The Italy Network, net of the Mediobanca Group, comprised 1,258 branches, down compared to 31 December 2024 following the closure of 53 branches and the surrender of a licence relating to a specialist centre no longer associated with a branch, which took place in January 2025, in line with the commitments connected with the State Aid received in 2017.

The Parent Company also makes use of 125 Specialist Centres (127 as at 31 December 2024), which handle relationship management and the specific management of particular customer segments (e.g., SMEs, Private, etc.), of which 71 dedicated to Enterprises, 48 to Private customers and 6 to Family Office, and 578 Financial Advisors (567 as at 31 December 2024) who carry out their activity through offices open to the public throughout the country.

PARENT COMPANY- DISTRIBUTION NETWORK ITALY AS AT 31/12/2025

Area	Domestic branches (*)(**)	Inc.	Client Centres ^(**)					Financial Advisory Offices	Inc.
			Companies	Family Office	Private	Tot.	Inc.		
Emilia Romagna	79	6.3%	5		6	11	8.8%	5	4.9%
Friuli Venezia Giulia	29	2.3%	3		1	4	3.2%	3	2.9%
Liguria	16	1.3%	1		1	2	1.6%	4	3.9%
Lombardia	177	14.1%	10	1	7	18	14.4%	9	8.7%
Piemonte	30	2.4%	1		1	2	1.6%	2	1.9%
Trentino Alto Adige	2	0.2%						1	1.0%
Valle d'Aosta	2	0.2%							
Veneto	159	12.6%	13	1	6	20	16.0%	5	4.9%
<i>Northern Italy</i>	494	39.3%	33	2	22	57	45.6%	29	28.2%
Abruzzo	25	2.0%	2		1	3	2.4%	2	1.9%
Lazio	103	8.2%	5	2	3	10	8.0%	11	10.7%
Marche	31	2.5%	4		1	5	4.0%	3	2.9%
Molise	3	0.2%						1	1.0%
Toscana	280	22.3%	10	1	8	19	15.2%	8	7.8%
Umbria	30	2.4%	2		2	4	3.2%	4	3.9%
<i>Central Italy</i>	472	37.5%	23	3	15	41	32.8%	29	28.2%
Basilicata	10	0.8%						2	1.9%
Calabria	37	2.9%	1			1	0.8%	3	2.9%
Campania	74	5.9%	4	1	3	8	6.4%	16	15.5%
Puglia	75	6.0%	6		4	10	8.0%	15	14.6%
Sardegna	10	0.8%	1		1	2	1.6%	2	1.9%
Sicilia	86	6.8%	3		3	6	4.8%	7	6.8%
<i>Southern Italy and island</i>	292	23.2%	15	1	11	27	21.6%	45	43.7%
<i>Total</i>	1,258	100.0%	71	6	48	125	100.0%	103	100.0%

(*) Reports to the Bank of Italy Supervisory Authority relating to Banca MPS

(**) of which 6 reports to the supervisory authority of the Bank of Italy as a centre not coinciding with a branch.

As at 31 December 2025, the Mediobanca Group's Italian Network comprised 291 outlets and is divided between Mediobanca Premier with 98 branches, Mediobanca Private Banking with 11 branches and Compass, which operates through 182 dedicated outlets.

The Wealth Management network of the Mediobanca Group also relies on 687 **Specialist Centres**, 710 Financial Advisors and 585 bankers throughout the country.

MEDIOBANCA GROUP - DISTRIBUTION NETWORK ITALY AS AT 31/12/2025

	Mediobanca Premier		Compass Group		Mediobanca Private Banking		Mediobanca Group	
Regione	Domestic branches (*)	Inc.	Domestic branches (*)	Inc.	Domestic branches (*)	Inc.	Domestic branches (*)	Inc.
Emilia Romagna	11	11.2%	10	5.5%	1	9.1%	22	7.6%
Friuli Venezia Giulia	2	2.0%	3	1.6%			5	1.7%
Liguria	3	3.1%	5	2.7%	1	9.1%	9	3.1%
Lombardia	30	30.6%	24	13.2%	4	36.4%	58	19.9%
Piemonte	9	9.2%	9	4.9%	1	9.1%	19	6.5%
Trentino Alto Adige	1	1.0%	1	0.5%			2	0.7%
Valle d'Aosta								
Veneto	7	7.1%	8	4.4%	2	18.2%	17	5.8%
<i>Northern Italy</i>	63	64.3%	60	33.0%	9	81.8%	132	45.4%
Abruzzo	1	1.0%	2	1.1%			3	1.0%
Lazio	15	15.3%	18	9.9%	1	9.1%	34	11.7%
Marche	2	2.0%	4	2.2%			6	2.1%
Molise			2	1.1%			2	0.7%
Toscana	2	2.0%	14	7.7%	1	9.1%	17	5.8%
Umbria			2	1.1%			2	0.7%
<i>Central Italy</i>	20	20.4%	42	23.1%			64	22.0%
Basilicata			2	1.1%			2	0.7%
Calabria			7	3.8%			7	2.4%
Campania	6	6.1%	21	11.5%			27	9.3%
Puglia	3	3.1%	17	9.3%			20	6.9%
Sardegna	2	2.0%	7	3.8%			9	3.1%
Sicilia	4	4.1%	26	14.3%			30	10.3%
<i>Southern Italy and island</i>	15	15.3%	80	44.0%			95	32.6%
<i>Total</i>	98	100.0%	182	100.0%	11	100.0%	291	100.0%

(*) Reports to the Bank of Italy Supervisory Authority

The Group has an **ATM network** consisting of **2,608 machines** (of which 2,427 relate to the Parent Company, down by 49 units compared to 31 December 2024, and 181 relate to the Mediobanca Group), of which 2,112 coincide with traditional branches (1,654 of these are located in premises with an independent entrance, accessible also outside branch opening hours) and 496 installed in public places with high operational potential, of which 75 within institutions/companies. There are 1,469 ATM machines equipped with "cash in" functionality (of which 1,001 are located in the *Self Area*, 448 inside branches, 2 within institutions/companies and 18 installed in public places).

The Group has an international presence with a Foreign Network geographically distributed in major financial and economic markets and in several emerging countries with high growth rate, with significant trading relations with Italy, currently structured as follows:

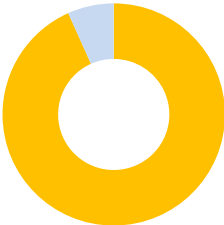
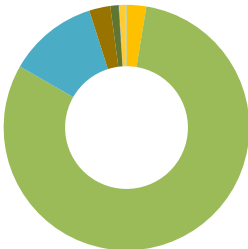
- **7 representative offices** in target areas of Europe, North Africa, India and China;
- **3 banks incorporated under foreign law**, namely Monte Paschi Banque S.A., operating in France (in the process of disposal), CMB Monaco and Mediobanca International (Luxembourg);
- **4 operating branches**, located in London, Madrid, Paris and Frankfurt.

Customer base

As at 31 December 2025, the Group⁶ had approximately 7.5 mln customers.

The Parent Company⁷ had relationships with approximately 3.6 mln customers, substantially stable compared to 31 December 2024. Customers as at 31 December 2025 are broken down as follows:

- about 3.3 mln (substantially stable as at 31 December 2024) is managed by the Commercial Network of the Parent Company Banca Monte dei Paschi S.p.A.;
- Approximately 0.3 mln (essentially stable compared to 31 December 2024) are managed exclusively by Widiba, the Group's online bank.

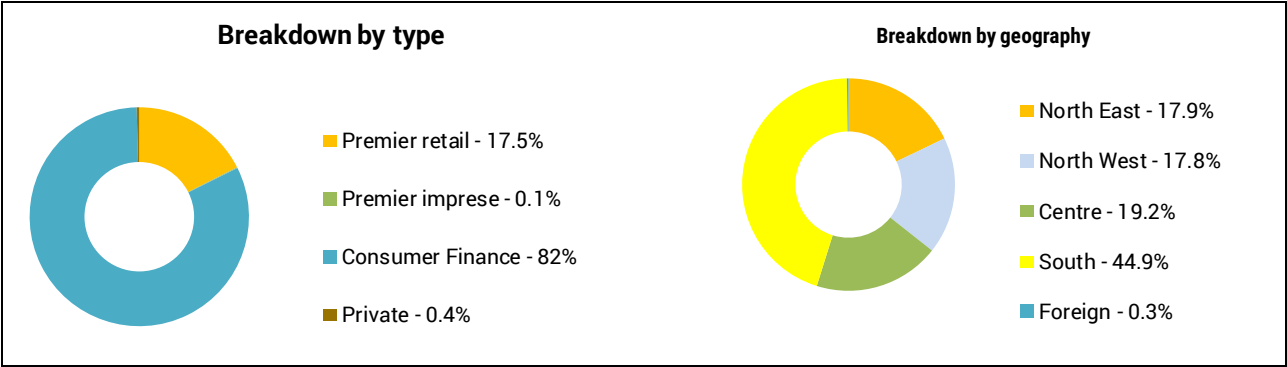
Customer Breakdown	Sales & Distribution Network
Breakdown by type  ■ Distribution Network - 93.3% ■ Widiba - 6.7%	Breakdown by type  ■ Small Business - 2.6% ■ Valore - 80.7% ■ Premium - 11.8% ■ Premium Top - 2.8% ■ Private - 1.1% ■ Family Office - 0.07% ■ PMI and other companies - 0.8% ■ Corporate client - 0.1% ■ Large Corporate - 0.04% Breakdown by geography  ■ North East - 17.4% ■ North West - 15.6% ■ Centre - 35.5% ■ South - 31.4%

At the end of 2025, the Retention and Acquisition indicators stood at 95.3% and 5.1% respectively, showing an improvement compared to 2024 (when they were 94.9% and 4.6%, respectively).

⁶ Intended as the sum of the total MPS Network, Widiba, Mediobanca Premier and Consumer Finance, net of the customers of the other Group companies.

⁷ Intended as the sum of the total MPS and Widiba Network, excluding the customers of the other Group companies.

As at 31 December 2025, Mediobanca Group customers totalled 3.9 mln and were broken down into around 3.2 mln managed by Consumer Finance, around 0.7 mln managed by Premier Retail, around 4 thousand customers by Premier Corporate and around 15,000 Private customers.



Reference context

The international scenario

The global cycle, although affected by the evolution of trade policies and geopolitical tensions, showed resilience⁸. The negative spillovers linked to the uncertain stability of tariff agreements between the United States and its main partners, the redefinition of global spheres of influence and severe geopolitical tensions were offset by support for growth from more accommodative fiscal and monetary policies in the major economies and by the boost from investment in artificial intelligence, especially in the United States. Despite the increase in tariffs, world trade recovered thanks to the geographical reshaping of trade flows and the exchange of goods linked to AI technologies. Global inflation eased; however, uncertainty surrounding the ongoing conflict in Ukraine and, above all, the escalation in the Middle East—culminating in the recent US and Israeli intervention against Iran, with inevitable consequences for the global supply of energy resources originating from or transiting through the Gulf region—is weighing on the short-term global outlook and expected price trends.

In the United States, the economy showed strength: the contraction at the start of the year was followed by a sharp acceleration in GDP in the middle quarters (+4.4% QoQ annualised in the third quarter), supported by consumption and investment in AI; the temporary shutdown of federal administrative activities between October and November could lead to a subsequent slowdown in GDP in the fourth quarter. Higher tariffs reduced household confidence and contributed to a rise in domestic prices, albeit less than feared, with inflation at 2.7% y/y in December (the *core*⁹ indicator at 2.6% y/y). The labour market weakened: unemployment increased, reaching 4.5% in winter, and job creation disappointed. Although the signing of trade agreements with partners has progressively reduced trade uncertainty, the Supreme Court's expected legitimacy ruling on many tariffs and new US tariff threats, including towards European countries, are fuelling tensions. In foreign policy, we are witnessing a phase of military escalation; on the domestic front, there has been a tightening of immigration controls.

In the Euro Area, the economy grew moderately, drawing impetus—especially in the second half of the year—from the positive contribution of services (+0.3% QoQ preliminary GDP figure for the fourth quarter); manufacturing conditions, although slightly improving, remain fragile, beginning to feel the effects of competitive pressure and the penetration of Chinese imports. Consumption grew modestly, reflecting low confidence and macroeconomic uncertainty, which encouraged households to save. Investment, except in construction, partly recovered from the spring decline but is expected to remain stable. Exports have recently started to expand again, but remain constrained by the impact of tariffs on external demand. Inflation continued to ease and, after a slight autumn rebound, fell further (preliminary January 2026 data at 1.7% y/y, with the core indicator at 2.2% y/y). In the labour market, unemployment at year end returned close to its lows (6.2% in December); wage growth gradually slowed. Among Euro Area countries, Germany avoided recession in 2025¹⁰; France has been affected by political instability and clashes over public finances.

During the year, implementation of the ReArm Europe Plan continued, the EU initiative aimed at increasing defence spending and strengthening the Union's military capabilities. In Germany, despite a partial recalibration of spending, the infrastructure investment plan was launched. The US–EU tariff agreement signed in the summer has been affected by America's recent ambitions to expand its influence over Greenland.

In 2025 most European countries revised their NRRP (National Recovery and Resilience Plan) programmes to facilitate the achievement of objectives ahead of the 2026 deadline. The European Commission examined Member States' 2026 draft budgetary plans in order to assess compliance with the net expenditure path previously defined with the EU; based on the assessments published in November, Italy, France and Germany were not among the five countries at risk of failing to comply with their path. At the aggregate level, according to the Commission the Euro Area budget deficit increased slightly in 2025; the fiscal policy stance is neutral.

Among emerging countries, in China growth met the annual government target of 5%, but decelerated in the second half of 2025 due to weak domestic demand, dampened by the fall in investment and the property crisis (GDP +4.5% y/y in the fourth quarter from +4.8% y/y in the third); exports, having repositioned globally, benefited from sales of semiconductors and AI-related goods. The US–China trade agreement reached at the end of October scaled back some tariff increases, already partially suspended in the previous months; China also postponed until end-2026 the application of restrictions

⁸ According to the International Monetary Fund projections updated in January 2026, world output rose by 3.3% in 2025, as in 2024.

⁹ Index adjusted for the price components of food and energy goods (typically more volatile).

¹⁰ According to the International Monetary Fund projections updated in January 2026, German GDP growth stood at +0.2%.

on export licences for rare earths. Beijing continued with measures to stimulate the economy; Chinese inflation, while edging up slightly at year end, remained low. In India, GDP is expected to accelerate to above 7% per year, despite tariff frictions with the United States. Many developing countries have benefited from more favourable financial conditions as a result of the depreciation of the US dollar.

Italy: economic context

In Italy, after a good start to the year followed by a spring decline, GDP grew moderately in the second half of 2025 (+0.3% QoQ, preliminary fourth-quarter figure). The recovery was supported by positive investment dynamics, benefiting from more favourable financing conditions, tax incentives and measures linked to the NRRP. Activity increased in the services sector and, by year end, industry also showed a recovery from the period of weakness. Consumption was constrained by international economic uncertainty, despite the gradual increase in incomes. While in the first quarter exports benefited from bringing forward sales to the United States, the subsequent introduction of tariffs weighed on the contribution from external demand. On average over the year, consumer prices rose by 1.5% YoY, contained by the easing of upstream pressures; the core indicator fell back below 2% y/y between end-2025 and early 2026. Unemployment reached new historical lows (5.6% in December) but labour force participation among young people declined; employment resumed growth after the summer; private sector wages slowed from spring onwards. The property market showed dynamism.

Government action in 2025 focused on regulatory simplification, support for households and businesses and economic and fiscal measures. In the last part of the year, measures continued with the approval of the draft legislative decree containing supplementary and corrective provisions on IRPEF and IRES and, in the 2026 Budget Law¹¹, in particular with the introduction of tax and income support measures and measures for businesses (i.e., the introduction of a hyper-depreciation regime for investments in capital goods supporting companies' technological and/or digital transformation, the establishment of a fund to increase the resources available for the tax credit for "Industry 4.0" investments and the refinancing of the "Nuova Sabatini").

Particularly relevant for the banking, financial and insurance system were the measures envisaged by the Budget Law, which confirm the sector's contribution to the budget package and provide for: i) an increase of two percentage points in IRAP for three years, with a EUR 90 thousand allowance in 2027 and 2028, ii) the deferral of DTAs, iii) the possibility of distributing extra-profit reserves upon payment of an extraordinary contribution, iv) the introduction of deductibility, in equal instalments, of loan write-downs, v) the deferral to 2027 and 2028 of IRPEF and IRAP deductibility of part of previous loan write-downs, as well as the adjustments of loan impairments, vi) the doubling of rates on financial transactions (so-called Tobin tax), vii) the introduction of a more favourable IRAP regime for dividends, viii) the review of the taxation of capital gains on equity investments, ix) the introduction of a limitation on the deductibility of interest expense, x) exemptions from applying the 10% surcharge on bonuses and stock options of executives in the sector.

Among the measures preliminarily approved by the Council of Ministers and still under discussion in Parliament are: i) the draft decree-law implementing the delegation under Article 19 of Law No. 21 of 5 March 2024 (so-called "Capital Markets Law") for the review of the provisions on capital markets set out in Legislative Decree No. 58 of 24 February 1998 ("TUF") and the alignment of the provisions on limited liability companies contained in the Civil Code, also applicable to issuers ("TUF Draft"); ii) the draft decree-law "Urgent provisions on statutory deadlines (so-called Milleproroghe)" which provides, inter alia, for an extension until 30 September 2026 of the rules on holding general meetings of companies and entities and an extension until 31 December 2026 of the operating arrangements of the Guarantee Fund for SMEs.

The Council of Ministers also approved definitively a decree-law completing the "Basel III" reform at European level, transposing amendments to supervisory requirements (CRD VI) and to the Capital Requirements Regulation (CRR III): in particular, the output floor was introduced, limiting banks' use of internal models and ensuring greater capital strength. The measure also extends supervisory powers, including the assessment of environmental, social and governance (ESG) risks and the regulation of branches of third countries.

The European Commission approved the reprogramming of the Italian NRRP: while the Plan's total allocation was confirmed, new measures were introduced and others were amended/abolished; new implementing instruments were established for certain measures, allowing expenditure to be spread beyond the Plan's formal closure. At year end, the

¹¹ On 30 December, Parliament approved the Budget Law, essentially confirming the balances of the decree-law for the 2026–28 budget package, implementing the programmes set out in the 2025 Public Finance Planning Document (DPFP 2025) presented by the Government last autumn.

European Commission paid the eighth NRRP instalment (the third-to-last), amounting to EUR 12.8 bn, bringing total disbursements received by Italy to over EUR 153 bn (of which approx. EUR 54 bn in grants).

Financial markets and monetary policy

After the sharp spring correction linked to the tightening of US trade policy, global equity markets recovered, with limited episodes of volatility linked to geopolitical and tariff developments and to fears of a possible fall in the prices of securities linked to artificial intelligence. From the start of the year to 31 December 2025: the FTSE Mib performed strongly, gaining more than +31%; the Euro Stoxx rose by more than 18% and the S&P 500 by over +16%; the Nikkei also performed positively (over +26%), reaching new record highs at year end also supported by the high popular support enjoyed by the new Japanese Prime Minister Takaichi, which could facilitate the adoption of expansionary fiscal policies. The Shanghai Shenzhen CSI 300 index gained just under +18%, benefiting from the fragile trade truce with the United States.

After an initial part of the year with volatility at higher levels, the yield on the 10-year Treasury from September gradually stabilised just above 4%, reflecting the Fed's more accommodative stance and economic uncertainty. The Bund yield gradually rose, recovering the levels that at the start of the year preceded the US trade escalation. As at 31 December 2025, the US 10-year yield stood at 4.17%, the German at 2.86% and the Italian at 3.55%, respectively -40, +49 and +3 bp compared to end-2024 levels. Since last April, the BTP-Bund spread recorded an almost uninterrupted decline, trading below 100 bp for most of the year and closing 2025 at approx. 70 bp (-46 points compared to the 2024 close); the greater solidity of Italy's public finances and the positive assessments by rating agencies of its creditworthiness¹² facilitated the decline in the spread.

After keeping the Fed funds rate unchanged for much of the year, the Federal Reserve, from late summer, resumed the monetary easing cycle, making three consecutive 25 bp cuts at the September, October and December meetings, bringing the Fed funds rate corridor to between 3.50% and 3.75%. On signs of liquidity stress, the Fed also halted in December its balance-sheet reduction plan (Quantitative Tightening), announcing the resumption of purchases of very short-term Treasury securities. At the first meeting of 2026, the Fed, as expected, left rates unchanged. According to Governor Powell, based on the most recent economic developments, the high tariff-driven inflation may prove temporary, while the labour market is showing signs of stabilisation in a context of sustained growth.

The ECB carried out its cycle of rate cuts in the first half of 2025, bringing—through successive cuts—the main refinancing operations rate to 2.15%, the deposit facility rate with the Eurosystem to 2.00% and the marginal lending facility rate to 2.40% in June; it then left these levels unchanged at subsequent board meetings until year end. At the first meeting of 2026, the ECB, by unanimous decision, confirmed rates unchanged, noting that inflation is well positioned on target and that the current EUR/USD exchange rate range remains in line with the historical average; the Authority reiterated that there is no pre-set path for rates, confirming the data-dependent approach. During 2025, the ECB continued the measured and predictable reduction of the APP (Asset Purchase Programme) and the PEPP (Pandemic Emergency Purchase Programme) portfolios.

¹² Last November, Moody's raised Italy's rating to Baa2 (from Baa3) with a stable outlook. In September, Fitch upgraded Italy to BBB+ (from BBB) with a stable outlook while, in the same month, S&P's confirmed it at BBB+ with a stable outlook after previously raising it in April. S&P's intervened again in January 2026, revising the outlook to positive from stable.

Significant events of the 2025 financial year

Voluntary public tender and exchange offer for all the ordinary shares of Mediobanca – Banca di Credito Finanziario Società per Azioni promoted by Banca Monte dei Paschi di Siena S.p.A.

Completion of the transaction

22 September 2025 marked the end of the acceptance period for the voluntary public tender and exchange offer (the “Offer” or “OPAS”) launched by Banca MPS on up to 833,279,689 ordinary shares of Mediobanca – Banca di Credito Finanziario Società per Azioni, as well as up to 16,178,862 additional Mediobanca shares that may be granted under certain existing incentive plans.

Without prejudice to the detailed information contained in the Offer Document, the Exemption Document and all documentation made available as required by law, as well as the individual notices issued from time to time regarding the progress of the Offer, it is sufficient here to recall that the “Offer” was launched by Banca MPS on 23 January 2025, initially in the form of a public tender offer. In this regard, on 26 June 2025, the Board of Directors of Banca MPS resolved, in execution of the authority granted by the Extraordinary Shareholders’ Meeting of 17 April 2025, to increase the share capital for a total amount of EUR 13,194,910,000, plus share premium, through the issuance of 2,230,000,000 ordinary shares, in one or more tranches and in a divisible manner, with the exclusion of pre-emptive rights, to serve the Offer.

On 2 July 2025, Consob approved the Offer Document submitted by MPS, which set the Offer on the basis of a unit consideration of 2.533 newly issued ordinary shares of Monte dei Paschi di Siena for each Mediobanca share tendered, with an acceptance period scheduled between 14 July 2025 and 8 September 2025. Also on 2 July 2025, unconditional clearance for the acquisition of control of Mediobanca was granted by the Italian Antitrust Authority.

Subsequently, on 2 September 2025, the Offer was amended following the increase in the unit consideration, by providing for a cash consideration of EUR 0.90 for each Mediobanca share tendered.

Based on the final results, announced to the market on 25 September 2025, during the acceptance period – including the reopening of the terms provided by law for a further 5 trading days from 16 September 2025 to 22 September 2025 inclusive – a total of 702,222,059 Mediobanca shares, equal to approximately 86.3% of the share capital, were tendered to the Offer. Payment of the consideration resulted in the issuance of 1,778,728,477 ordinary shares, with no par value, with regular dividend entitlement and the same features as the Banca MPS shares outstanding as at the issue date, and in the payment of EUR 631,999,853 as cash consideration to the accepting shareholders.

As a result of the changes, as at 29 September 2025, the fully subscribed and paid-in share capital of Banca MPS consisted of 3,038,418,183 shares, for a total value of EUR 17,978,187,186.85.

For more information, please refer to the dedicated section available on the Parent Company’s website.

On 3 October 2025, Banca MPS, holder of 86.3% of Mediobanca’s share capital, submitted its list of candidates for the appointment of the new Board of Directors of Mediobanca. Subsequently, on 28 October 2025, Mediobanca’s ordinary shareholders’ meeting approved the appointment of the designated directors.

Update on the Combination Programme

Following the successful completion of the public tender and exchange offer (OPAS) on Mediobanca, which recorded an 86.3% acceptance of the share capital, the **MPS–Mediobanca Combination Programme** (“Combination Programme”) was launched, aimed at achieving a full industrial and strategic combination between the two Groups. The transaction represents a significant step for the Italian banking system and aims to **create the third-largest national banking operator** in terms of total assets.

The new group will be a strong and diversified player, with distinctive and complementary expertise across all business areas, high innovation capacity and a strong commitment to supporting the country’s growth, while fully valuing the existing human capital.

The combination makes it possible to leverage **complementary expertise** in the main business segments:

- i. The **Retail and Commercial Banking** segment, where the specialist expertise built up by MPS over decades will enable the expansion of Mediobanca's Retail business;
- ii. the **Consumer Finance** segment, where the distinctive positioning of Compass in the consumer credit sector will gain further momentum thanks to the strengthening of the existing partnership with MPS and the increased penetration in the retail customer base;
- iii. the **Asset Gathering and Wealth Management** segment, where the transaction will create a leading player in Wealth Management, through the combination of MPS and Mediobanca's expertise in Private Banking — with the contribution of specific companies and product entities — as well as in Asset Gathering, by scaling up the Banker and Financial Advisor networks of MPS, Widiba, Mediobanca and Mediobanca Premier;
- iv. the **Corporate & Investment Banking** segment, where the complementarity between the customer segments served (SMEs and Large Corporates) and the range of products offered by MPS and Mediobanca to corporate clients will enable the creation of a leading operator in Corporate & Investment Banking (CIB).

Overall supervision of the Combination Programme is ensured by the Group CEO, who guarantees full alignment of activities with the strategic guidelines of the new Group. **Supporting the general management** is the **Steering Committee**, a strategic and decision-making body composed of the main members of the Top Management of both Groups. The Steering Committee meets regularly to review the progress of the Combination Programme and to promptly take decisions on critical issues or significant deviations from the integration objectives.

Operational activities are organised into **more than twenty work areas** (Cantieri di lavoro), each dedicated to specific aspects of the programme, and into a **cross-cutting area for monitoring synergies and integration costs**, designed to measure progress against the established targets and ensure the efficient management of resources dedicated to the Combination Programme.

Coordination of the work areas is entrusted to the **Combination Management Office** (CMO), which ensures methodological consistency, cross-functional oversight of activities and overall monitoring of project progress.

The **work areas** operate according to a structured, coordinated schedule that includes periodic operational reviews and cross-functional discussions to provide an integrated view of project status and timely sharing of strategic guidance with the Steering Committee.

The Combination Programme features a broad and detailed project structure, systematically covering all key areas required for full industrial, operational and organisational integration between the two Groups, ensuring consistency with the agreed timelines and the strategic framework of the new Group.

The Programme therefore encompasses all main business areas, including **"Business model and commercial offering", "Finance, planning and accounting", "Risk Management", "Operations", "HR", "Sustainability", "Brand and Communication", "Investor Relations", and "Legal and Corporate Affairs"**.

All the initiatives envisaged under the Programme, launched immediately after completion of the transaction, are progressing in line with the Work Plan. Accordingly, the preparation of the Industrial Plan and the Integration Plan of the Combined Entity by the first quarter of 2026 is confirmed, in line with the commitments undertaken towards the Authorities and stakeholders.

Accounting for the acquisition

The Offer resulted in the Parent Company gaining control of Mediobanca and qualifies as a business combination within the scope of IFRS 3. The standard requires the use of the acquisition method, under which, as of the acquisition date — identified as the settlement date of the Offer (15 September 2025) — the Parent Company, as acquirer, must allocate the cost of the combination (the so-called Purchase Price Allocation, or PPA) to the identifiable assets acquired and liabilities assumed, both measured at their respective fair values. Any excess of the cost of the combination that is not allocated must be recognised as goodwill; otherwise, the negative difference arising from the accounting for a bargain purchase is recognised in the income statement as negative goodwill (negative goodwill or badwill).

IFRS 3 allows the initial accounting of a business combination to be provisional and grants the acquirer a period of 12 months to obtain the information necessary to identify and assess the elements required for the final accounting of the business combination, adjusting the provisional amounts retrospectively from the acquisition date. By exercising this option provided for by the standard, in the Interim Report as at 30 September 2025 a provisional amount of goodwill

arising from the business combination had been determined, which was further refined for the purposes of preparing the 2025 financial statements, in light of the additional information obtained in the PPA process. In accordance with the aforementioned standard, the amount will be finalised by 30 September 2026¹³.

With regard to the determination of the cost of the combination, the consideration transferred in a business combination must be determined based on the fair values, as at the acquisition date, of the assets transferred by the acquirer to the former shareholders of the acquiree, the liabilities incurred by the acquirer for those parties, and the equity interests issued by the acquirer. In this case, the consideration transferred consists of the sum of (i) EUR 14,880.8 mln, corresponding to the fair value of the shares issued by the Parent Company as part of the capital increase and allotted to Mediobanca shareholders (1,778,728,477 shares), and (ii) EUR 632.0 mln, corresponding to the cash consideration. For the purpose of valuing the Parent Company's shares, the reference price of the MPS share on 12 September (EUR 8.366 per share) was used, corresponding to the last available price before the effective date of the transaction through which Banca MPS acquired control, holding 86.3% of Mediobanca's share capital. This percentage of interest, calculated on the outstanding shares and therefore net of Mediobanca's treasury shares as at the acquisition date, corresponds to 87.07%.

IFRS 3 establishes that in the case of a business combination achieved in stages, the acquirer must remeasure the previously held interest in the acquiree at its *fair value* on the acquisition date. Accordingly, with regard to the 31,996 Mediobanca shares already held by the Parent Company, these were measured at Mediobanca's share price as at 12 September 2025 (EUR 22.000 per share), for a total value of EUR 0.7 mln, which was also included in the calculation of the acquisition cost.

With reference to the amount of non-controlling interests in the acquired company, IFRS 3 allows an alternative measurement to *fair value* at the acquisition date (the so-called *full goodwill* method) or proportionately to the identifiable net assets (the so-called *partial goodwill* method). In this regard, the Parent Company decided to apply the full goodwill method and therefore measured the non-controlling interests in the acquired company at fair value as at the acquisition date, for a total value of EUR 2,303.8 mln, and included this amount in the calculation of the acquisition cost.

Based on the above, the total cost of the combination amounted to EUR 17,817.3 mln, consisting of (i) EUR 15,512.8 mln corresponding to the consideration transferred for the acquisition, (ii) EUR 2,303.8 mln corresponding to the value of the Mediobanca shares held by third parties, and (iii) EUR 0.7 mln corresponding to the value of the Mediobanca shares already held by the Parent Company.

For the purposes of accounting for the acquisition, the consolidated shareholders' equity of Mediobanca as at 30 September 2025, amounting to EUR 11,304.6 mln, was compared with the total cost of the combination (EUR 17,817.3 mln), taking into account that the acquisition took place on 15 September 2025. Given the impossibility of preparing a financial position as at 15 September 2025, and considering that no significant events occurred in the short period up to 30 September 2025 that would materially affect the financial and economic position of the acquired Group compared with the acquisition date, for accounting purposes the acquisition date was conventionally assumed to coincide with 30 September 2025. The initial consolidation statement of financial position is therefore represented by the balances of the acquired Group as at 30 September 2025, which are consolidated, line by line, into the Group's consolidated financial statements as at the same date, while the contribution of the Mediobanca Group to the consolidated income statement was recognised only from 1 October 2025.

For the purpose of determining goodwill, over the last quarter the main assets underlying the finalisation of the PPA involved the *fair value* measurement of the acquired company's balance sheet items, highlighting the differences compared with the related carrying amounts; in particular, the main accounting items impacted by the determination of fair values for PPA purposes, on which the analysis was carried out with the support of leading independent third-party experts, were: i) the property portfolio, for both own use and investment, subject to "*full/on site*" valuation by an external valuation expert; ii) loans to and from customers and banks, iii) debt securities classified in assets at amortised cost and bonds issued, iv) measurement of equity investments in associates, v) contingent liabilities existing at the acquisition date not recognised by the acquired company as they arose as a result of the acquisition transaction (e.g., onerous contracts, etc.). Finally, consolidated goodwill and certain brands for which evidence of impairment had emerged as at the acquisition date, recognised in Mediobanca's consolidated financial statements, were written off.

Furthermore, as part of the PPA process, given Mediobanca's adoption of hedge relationships in a macro-hedge approach, the specific balance sheet items representing the fair value adjustment of the assets and liabilities subject to

¹³ IFRS 3, paragraph 45, provides that the measurement period within which to obtain the information necessary to carry out the *fair value* assessment of the net assets acquired, and thereby complete the allocation process of the combination, ends as soon as the acquirer has received all the necessary information as at the acquisition date or has determined that no further information can be obtained for the *fair value* measurement of the acquired items. In any case, the measurement period may not extend beyond one year from the acquisition date.

macro-hedging against interest rate risk were reversed within the PPA process, since for the purposes of the Group's consolidated financial statements hedge relationships are redesignated ex novo from the acquisition date and the hedged items are recognised individually at fair value in accordance with IFRS 3.

The effects of the acquisition cost allocation process described above, net of the related tax effects, amounted overall to EUR 3,559.4 mln. The comparison between the total cost of the combination and Mediobanca's consolidated shareholders' equity as at 30 September 2025 net of the preliminary PPA effects described above therefore results in provisional goodwill, determined using the full goodwill method, of EUR 2,953.3 mln. For further details, see the following table:

(EUR mln)		
Acquisition value (full goodwill method)	17,817.3	a
MB Group shareholders' equity as at 30 September 2025	11,304.6	b
Derecognition of intangible assets recognised by the MB Group	(863)	c
Goodwill before fair value adjustments to individual accounting items	7,375.7	d=a-b-c
Fair value adjustment effects on individual accounting items	4,422.4	e
of which Loans to customers	2,200.70	
of which Loans to banks	37.7	
of which Debt securities (assets)	90.6	
of which Equity investments in associates	2,875.2	
of which Property	600.4	
of which Debt securities (liabilities)	-240.3	
of which Due to banks	2.1	
of which Due to customers	-408.8	
of which Other items	-12.8	
of which related tax effects	-722.4	
Goodwill	2,953.3	e-d

The above total amount should be considered – as already indicated – provisional, and will be updated following the finalisation of the PPA process; which will reasonably involve i) the recognition of new intangible assets, representing the value of the brand and customer relationships of Mediobanca Group, and ii) the fair value measurement of balance sheet of certain foreign subsidiaries.

Lastly, the accounting effects of the acquisition transaction also include the costs related to the OPAS, amounting to EUR 94 mln plus VAT and expenses, including advisory fees connected with the authorisation procedures – also in foreign jurisdictions – and contributions to the Supervisory Authorities. These costs were recognised for EUR 6.9 mln in the income statement and, for the remaining portion, as a reduction of equity reserves, as they are directly attributable to the capital increase and the corresponding issuance of shares.

For the purposes of the reclassified income statement, the following items were included under “P&L effect of the allocation of acquisition costs (net of tax)”: (i) EUR -50.1 mln as amortisation for 2025, before tax, of the differences arising in the PPA process between fair values and the previous carrying amounts of assets and liabilities of the acquired entity and (ii) EUR -431.8 mln before tax for the reinstatement of ECL on performing exposures and asset-side securities measured at amortised cost of the Mediobanca Group, which had been reversed as a result of the fair value adjustment of the related portfolios. The overall P&L impact, net of the related tax effect, recognised under “P&L effects of the allocation of acquisition costs (net of tax)”, therefore amounted to EUR -320.6 mln.

Other significant events

In addition, the following significant events occurred during the year:

On 22 January 2025, Banca MPS exercised the option for full early repayment of the subordinated Tier 2 bond denominated “€400,000,000 8.000 per cent. Reset Callable Subordinated Notes”. Subsequently, on 2 March 2025, it exercised the option for full early repayment of the senior bond denominated “€ 750,000,000 Fixed to Floating Rate

Callable Senior Notes due 2 March 2026". Both operations are carried out in accordance with the funding plan and have obtained the authorisations issued by the European Central Bank.

On 28 February 2025, Standard Ethics raised the Corporate Standard Ethics Rating (SER) of Banca MPS to "EE+" from the previous "EE". The rating agency confirmed that the upgrade to "EE+" (Very Strong) leads to the expected long-term rating and the outlook remains positive.

The Ordinary and Extraordinary Shareholders' Meeting was held on 17 April 2025, during which the approval of the 2024 financial statements, the payment of the dividend, the report on the remuneration policy, the 2025 incentive system, and the integration of the Board of Directors with the appointment as Directors of the members already co-opted on 27 December 2024 were resolved. The Shareholders' Meeting also resolved, with the favourable vote of 86% of the capital present, to grant the Board of Directors the power to increase the capital to service the voluntary public exchange offer by Banca Monte dei Paschi di Siena S.p.A. for all the ordinary shares of Mediobanca. Furthermore, amendments to Articles 14 and 15 of the Articles of Association were approved, concerning the procedures for holding meetings and for presenting lists and managing the co-option of directors during their term.

On 21 May 2025, Banca MPS successfully completed the placement of a new Senior Preferred Unsecured fixed-rate bond issue, with a 6-year maturity (due 2031) and an early redemption option after 5 years, for a total amount of EUR 500 mln.

On 21 May 2025 (ex-dividend date 19 May and record date 20 May), the dividend for 2024 was paid for a total of EUR 1,083,333,147.16, corresponding to 0.86 eurocents for each of the 1,259,689,706 ordinary shares without par value outstanding at the record date.

On 11 June 2025, Banca MPS successfully completed the placement of a Conditional Pass Through European Covered Bond, maturing on 18 January 2031 and intended for institutional investors, for a total amount of EUR 750 mln and a coupon set at 2.750% per annum.

On 25 June 2025, Banca MPS successfully completed the placement of a Tier 2 subordinated bond issue maturing in October 2035, with an early redemption option in October 2030, for a total amount of EUR 500 mln.

On 14 and 15 July 2025, respectively, the Agreement for the Coordinated Text of the 2023 National Collective Labour Agreement for Middle Managers and Professional Areas and the Agreement for the Renewal of the National Collective Labour Agreement for Executive Personnel were signed at national level; the first aimed to harmonise the contents of the renewal agreement of 23 November 2023 with the provisions of the previous collective agreement; the second provided for the renewal of the national executive contract to adjust the minimum economic treatment and update the regulatory section.

On 25 July 2025, the following agreements were signed at company level: the Agreement for the 2025 Corporate Bonus, payable into the "Welfare Account", strictly linked to the achievement of the Group's sustainable profitability, liquidity and capital targets, and the Agreement for the renewal of the Second-Level Agreement, which updated company bargaining, particularly with regard to professional development, welfare and territorial mobility. With regard to professional development, more specifically, the agreement defined professional career paths within the network by updating grading levels in line with organisational developments.

On 1 August 2025, the EBA and the ECB announced the results of the EU-wide stress test 2025 in which Banca MPS also participated. The 2025 EU-wide stress test was conducted by the EBA, in collaboration with the ECB and the European Systemic Risk Board (ESRB). The adverse stress test scenario was defined by the ECB and ESRB with a three-year time horizon (2025-2027). The stress test was conducted assuming a static balance sheet based on restated data as at the end of December 2024, in accordance with CRR3 requirements, and therefore did not take into account future corporate strategies or management initiatives.

With regard to the results of Banca MPS, the Common Equity Tier 1 ratio (CET1%) fully loaded for 2027 (the year showing the greatest *depletion* of the three-year period) resulting from the stress test was as follows:

- Baseline scenario: 22.93%, +353 basis points compared with the 19.40% recorded as at 31 December 2024 (restated under CRR3).
- Adverse scenario 16.83%, -257 basis points compared with the 19.40% recorded as at 31 December 2024 (restated under CRR3).

Both results comfortably met the minimum regulatory requirements in both the Baseline and Adverse scenarios. These results, the best achieved by the Group to date in stress test exercises, confirmed the strong capital solidity of the Montepaschi Group and its ability to generate capital sustainably, as evidenced by positive results in the baseline

scenario and also at the end of the adverse scenario, despite the various macroeconomic shocks assumed in the exercise.

On 10 September 2025, Banca MPS, having received authorisation from the European Central Bank, exercised the option for full early repayment of the subordinated Tier 2 bond “EUR 300,000,000 8.500 per cent. Reset Callable Subordinated Notes”.

On 13 November 2025, Banca MPS successfully completed the placement of its first Green Senior Preferred Unsecured issue, with a 6-year and 3-month maturity (due February 2032) and an early redemption option after the fifth year, for a total amount of EUR 500 mln.

On 2 December 2025, the Bank announced that it had received notification of the European Central Bank’s final decision on the capital requirements to be met on a consolidated basis as from 1 December 2025, following the review of the SREP decision adopted on 10 December 2024. The Pillar 2 additional requirement (P2R) improved by 30 bps compared with the previous level (2.50%), standing at 2.20%.

The overall minimum requirement in terms of Common Equity Tier 1 ratio stands at 9.01%, the sum of Pillar 1 - P1R (4.50%), Pillar 2 - P2R (2.20%) and Combined Buffer Requirement - CBR (3.27%). The Pillar 2 Capital Guidance (P2G), set at 1.00%, decreased by 15 bps compared with the previous level.

Significant events after the end of the 2025 financial year

On 28 January 2026, Banca MPS, together with the Italian Interbank Deposit Protection Fund (FITD), BPER Banca S.p.A., Banco BPM S.p.A., Intesa Sanpaolo S.p.A., UniCredit S.p.A. and Banca Progetto S.p.A. under extraordinary administration (BP), signed a new binding term sheet for the restructuring transaction in favour of BP, replacing the previous term sheet signed on 15 September 2025. The transaction provides for the participation of the FITD and the five banks in the *derisking* of BP's assets, the recapitalisation of BP by the FITD and the subsequent transfer to the five banks (through a company equally owned by them) of the shareholding in BP subscribed by the FITD, with the FITD retaining a stake not exceeding 10% minus one share.

The effects of the transaction will run from the moment of its finalisation subject to the definition of the final agreements and the obtaining of the necessary authorisations from the competent Supervisory Authorities.

On 4 February 2026, Banca MPS's Extraordinary Shareholders' Meeting approved amendments to the Articles of Association concerning:

- i) Articles 13, paragraph 3, letter (e), and 14, paragraph 5, providing for the Ordinary Shareholders' Meeting to increase the 1:1 cap between the variable and fixed components of remuneration;
- ii) Article 15, paragraphs 2, 3, 5, 6 and 7, and the related amendment to Article 17, paragraph 4, providing for the outgoing Board of Directors to submit its own list of candidates for the renewal of the governing body;
- iii) Article 15, paragraph 10, concerning the replacement of directors during their term of office;
- iv) Article 15, paragraph 1, concerning the re-eligibility of directors, and the consequent repeal of Article 20, paragraph 3, of the Articles of Association, which provides that the maximum number of terms of office set out in the aforementioned Article 15, paragraph 1 (to be repealed) does not apply to the Chief Executive Officer;
- v) Articles 17, paragraph 2, letter (j), 18, paragraph 2, and 21, paragraphs 2 and 3, providing for the Board of Directors to appoint the Chairman and one or two Deputy Chairmen (one of whom acting as deputy), where the Shareholders' Meeting has not done so;
- vi) Article 25, paragraph 8, with provisions relating to the case where only one list is submitted for the appointment of the Board of Statutory Auditors;
- vii) Article 31, paragraph 1, letters (a) and (b), concerning the reduction to the statutory minimum of the percentage of profits to be allocated to the legal reserve and the elimination of the statutory reserve.

On 4 March 2026, the Parent Company received the European Central Bank's authorisation regarding the aforementioned amendments to the Articles of Association.

On 11 February 2026, the Parent Company announced that Mr Stefano Di Stefano, a non-independent director and member of the Risks and Sustainability Committee, had resigned from office with immediate effect for personal reasons and in connection with the commencement of investigations against him. Subsequently, on 13 February 2026, following that resignation, the Bank's Board of Directors appointed Professor Raffaele Oriani, an independent director, as a new member of the Risks and Sustainability Committee.

On 14 February 2026, in view of the Banca MPS shareholders' meeting scheduled for 15 April 2026 and called, *inter alia*, to resolve on the renewal of the corporate bodies, Banca MPS announced the publication of the guidance approved by the outgoing Board of Directors and Board of Statutory Auditors on the qualitative and quantitative composition deemed optimal for the Bank's new Board of Directors and new Board of Statutory Auditors. In light of the characteristics of the sector in which the Bank operates, the Guidance identifies the managerial and professional profiles, as well as the skills – taking into account diversity criteria, including gender diversity, and the independence requirements of candidates – considered useful in fostering the best proposals for the composition of the new corporate bodies. On 20 February, following certain refinements and additions made further to discussions with the European Central Bank, the Parent Company announced that the guidance on the qualitative and quantitative composition deemed optimal for the Board of Directors to be appointed by the shareholders' meeting had been updated.

On 17 February 2026, Banca MPS's Board of Directors resolved to proceed with full integration with Mediobanca – Banca di Credito Finanziario Società per Azioni through a merger by incorporation and the consequent delisting of the latter, with the simultaneous transfer of the corporate & investment banking and private banking activities serving high-end customers to an unlisted company wholly owned by Banca MPS, under the name "Mediobanca S.p.A.". This scope will also include the equity investment in Assicurazioni Generali S.p.A.

The new Group structure is aimed at achieving strategic and earnings targets and fully realising industrial synergies so as to maximise value creation. This set-up is designed to enhance Mediobanca's distinctive expertise and professional resources within a specialised operating model.

On 27 February 2026 the Board of Directors approved the 2026-2030 Business Plan "From Deep Roots to New Frontiers – A Leading Competitive Force in Banking". The new Business Plan marks a step change in the Group's strategic positioning and structure, building on the successful transformation delivered in recent years and on the integration with Mediobanca, with the objective of creating a leading, diversified and competitive banking group with solid profitability, robust capital position and enhanced shareholder returns.

On 4 March 2026 the Board of Directors, taking into account the preliminary and propositional activity carried out by the Nominations Committee, in view of the renewal of the members of the corporate bodies whose terms are expiring, approved, with the favourable vote of more than two thirds of its members in compliance with Article 147-ter.1 of Legislative Decree No. 58/1998, a list of 20 candidates for the position of Directors for the 2026-2028 term, to be submitted to the Shareholders' Meeting on 15 April 2026.

The Board list has been made available to the public in accordance with the procedures and deadlines provided by law, together with the documentation required by law for the submission of lists for the appointment of the corporate bodies in relation to the renewal of the members of the Board of Directors and the Board of Statutory Auditors to be elected by the Shareholders' Meeting.

On the same date, Banca MPS also announced that preliminary investigations are continuing as planned for the approval of the merger with Mediobanca – Banca di Credito Finanziario Società per Azioni and the related share exchange, which are expected to be completed on 10 March 2026. The process will continue to be conducted in compliance with the safeguards required by the regulations for transactions with related parties.

On 10 March 2026, the Boards of Directors of Banca MPS and Mediobanca – Banca di Credito Finanziario Società per Azioni approved the merger plan for the merger by absorption of Mediobanca into Banca MPS.

The merger forms part of a broader reorganisation project which also provides for:

- (i) the transfer of the corporate & investment banking and private banking activities serving high-end clients to an unlisted company wholly owned by Banca MPS, which will take the name "Mediobanca S.p.A.", thereby preserving a brand of the highest value, with a unique heritage of expertise and synonymous with excellence in advisory services to corporates and private clients. In this context, the shareholding in Assicurazioni Generali S.p.A. will also be transferred to the new "Mediobanca S.p.A."; and, as a further distinguishing element thereof
- (ii) the industrial integration of the Financial advisors' networks and the retail and affluent wealth management activities of Mediobanca Premier and Banca Widiba (which will adopt a new company name that will also include the Mediobanca brand).

The merger is consistent with the guidelines of the 2026-2030 Business Plan approved by Banca MPS in February 2026 and, together with the reorganisation transactions, will enable full implementation of the industrial and financial objectives and the industrial synergies, amounting to approximately EUR 0.7 bn, set out in the Plan and already communicated by Banca MPS with a view to maximising value creation for the benefit of all shareholders.

The Boards of Directors of the companies participating in the merger, with the assistance of their respective financial advisors, determined the exchange ratio at 2.450 BMPS shares, with no nominal value, for each ordinary Mediobanca share outstanding, likewise with no nominal value. The determination of the exchange ratio takes account of the distribution of the dividends relating to the year ended 31 December 2025, disclosed to the public by the Boards of Directors of BMPS and Mediobanca on 10 February 2026 and 9 February 2026 respectively. The exchange ratio is not subject to adjustments or cash settlements.

Accordingly, Banca MPS will proceed with an increase in its share capital of up to EUR 1,609,487,836.43 by issuing up to 272,012,804 ordinary shares, with no nominal value, pursuant to the exchange ratio and the share allotment procedures detailed in the merger plan.

The merger requires the authorisations provided for under the applicable regulations and will be submitted for approval to the extraordinary shareholders' meetings of BMPS and Mediobanca. The merger is expected to become effective by the end of 2026.

Human Resources

Unless expressly stated otherwise, the data contained in the following paragraph do not refer to the Mediobanca Group. In line with the objectives and timeline of the Group's Industrial Plan, 2025 was characterised by the update of the Second-Level Agreement through an agreement signed in July, with particular reference to professional development – providing for career paths and grading for the Network – territorial mobility and welfare, with strengthened financial benefits for employees and a focus on parenting and work-life balance.

Furthermore, upon achievement of the Group's objectives and following approval of the 2024 financial statements, the payment of the corporate bonus and incentive schemes was confirmed for 2025. These represent a strategic lever for the enhancement of human capital, ensure sustainable development in the ESG (Environmental, Social and Governance) field through the adoption of incentive parameters correlated to the achievement of the Group's strategic guidelines on these issues, as well as providing for alignment between management and the interests of the shareholder and investors in view of the challenging objectives to be achieved.

Other features already characterising the HR area were further consolidated: the multidimensional training model geared to risk-based approaches and a high degree of customisation, with programmes fully funded by sector funds; human capital development paths consistent with the company's strategic objectives; the promotion of inclusion through a specific Diversity & Inclusion plan.

From 15 September 2025, the scope of the Montepaschi Group expanded following completion of the public tender and exchange offer launched by Banca Monte dei Paschi di Siena S.p.A. for Mediobanca – Banca di Credito Finanziario S.p.A.

The following table shows the KPIs as at 31 December 2025, excluding the Mediobanca Group:

Indicators	Headcount	Operational location (%)		Professional/occupational level (%)			Other indicators		
		Head Offices *	Italy Network**	Executive managers	Middle Managers	Professionals	Training per capita (hours)***	Female staff (%)	Female executives (%)
31/12/25	16,546	29.6	70.4	0.9	37.5	61.6	41.6	53.7	19.6
31/12/24	16,727	30.4	69.6	0.9	37	62.1	41	53.6	20.4
31/12/23	16,737	31.9	68.1	1	36.4	62.6	44	53.6	19.5

* Includes the General Management and territorial oversight units of Banca MPS, Widiba, MPS Fiduciaria, MPS Tenimenti and Magazzini Generali Fiduciari di Mantova

** Includes branches, specialist centres and units in direct contact with Banca MPS's customers

***Similarly to 2024, in addition to Banca MPS, Widiba and MPS Fiduciaria, this includes MPS Tenimenti and Magazzini Generali Fiduciari Mantova

The KPIs relating to the Mediobanca Group are set out below:

Indicators	Operational location (%)		Professional/occupational level (%)			Other indicators		
	BACK OFFICE (Governance/Control and IT&O)	FRONT OFFICE (Sales/marketing of the various businesses)	Executive managers	Middle Managers	Professionals	Training per capita (hours)*	Female staff (%)	Female executives (%)
Headcount								
5,533	33.3	66.7	11	48	41	6.85	41.9	21.3

* For the Mediobanca Group, the reporting period begins at the date of acquisition, starting from 30 September 2025 (October–December 2025 quarter).

Headcount changes

As at 31 December 2025, the Group (excluding Mediobanca) employed 16,546 people, down by 181 compared with 31 December 2024. The dynamics are mainly attributable to:

- 87 new hires, mainly young people, employed primarily to strengthen the Commercial Network;
- 274 terminations, of which 110 due to resignations;
- 6 people due to other movements within the Group's consolidation scope.

Personnel management initiatives

In 2025, personnel management policies continued to support the 2024-2028 Industrial Plan, enhancing the human component, promoting skills development and ensuring equal opportunities and access to development opportunities, in line with the Code of Ethics and the Rules on Inclusion.

In this respect, the MPS Sviluppa programme offers targeted initiatives for staff's professional and personal growth. Among the main initiatives are: the Talents Academy, soft skills development pathways, feedback tools, coaching and mentoring to foster leadership and performance. Reskilling initiatives and professional pathways are also planned to support internal mobility and business evolution.

Welfare plays a central role within the Second-Level Agreement, updated during the year for the most significant provisions and also extended to staff enrolled in the sector's solidarity fund for the entire period of their participation in it. Thanks also to the constant dialogue within the context of the relevant Joint Committee, welfare has consolidated its structure in a complex of constantly evolving contractual institutions, differentiated according to the requirements - traditional and new - of employees in the area of:

- supplementary pensions, in particular company pension funds that can also be extended to dependants, and insurance cover in the event of premature death and permanent disability; the Bank's contribution for employees is 3%;
- income support, including the hiring of a deceased employee's family member, meal vouchers, strengthened financial benefits, contributions to the Mutual Insurance Fund (the "institutional" point of reference for employees) for the supplementary financial support plan;
- health, with regard to sickness and accident insurance cover, with increased coverage in a preventive logic;
- internal solidarity, with reference to MP Solidale, a fund financed by donations of hours and days by employees to meet serious and proven personal and family needs, with priority given to the care of children. The signing of the July agreement under the Second-Level Agreement extended the possibility of making use of this provision to colleagues who are victims of gender-based and/or domestic violence;
- new wellbeing, culture and leisure initiatives, assessed case by case in line with contingent needs, such as a programme providing access to sports activities and a corporate digital library with lending of ebooks and audiobooks;
- specific parenting initiatives aimed at sustaining and supporting parents in raising their children, in particular: dedicated tailored study pathways, including where specific learning disorders or special educational needs are present; a pathway consisting of regular webinars on topical issues such as bullying, eating disorders and education on diversity; work-life balance, with a particular emphasis on the Parent Company's ongoing efforts to increase work flexibility, such as agile working, driven by an evolving approach.

In 2025, initiatives and activities in the **Diversity & Inclusion** area continued, in line with the path of leveraging diversity, recognised as a strategic driver for the development and dissemination of an inclusive corporate culture. Following the obtaining of the Gender Equality Certification, the Gender Equality Management System was overseen, in accordance with the UNI/PdR 125:2022 reference practice, with a specific focus on: communication plan, training plan, internal audit system, non-compliance management and management of a Gender Equality Strategic Plan, approved by a special Steering Committee and updated periodically. Following the visit by the certifying body Rina Services, the continuation of the Gender Equality Certification was confirmed for 2025 as well, highlighting the continued commitment to continuous improvement and to overseeing processes and policies geared towards equity and inclusion.

An inclusive culture is valued by the Group, it develops flexibility and innovative skills, increases the motivation of people in the company and interest in new generations, with a consequent positive impact for the business. These principles - in line with the additions to the Code of Ethics and specified in the document "Rules on Inclusion" - are communicated to all stakeholders in the "Gender Equality Policy"; the document in which the Group notifies all stakeholders of their commitments in terms of valuing diversity, inclusion, equity and parity that the Company aims to pursue in all phases of

the professional life of each person, in terms of organisational and operational aspects, internal and external communication and their relationship with the local area. Consistent with what was stated therein - including “zero tolerance” of violence and harassment in the workplace - a process for handling reports of inappropriate behaviour, defined in the document “Rules on preventing and combating gender-based harassment in the workplace”, was developed. The shortened version of the document is available on the Group’s website.

To disseminate the principles of the “Rules on Inclusion” document and the “Gender Equality Policy”, collaboration with “Valore D” continued, with participation in inter-company training programmes. The Parent Company’s membership, as a supporter, of the D&I in Finance Project was also confirmed, aimed at consolidating the initiatives carried out by the banking and financial industry and by other businesses in support of inclusion, equity and valuing diversity (for further information see the CSRD, section dedicated to Own workforce - Diversity and inclusion). The **MPS Orienta** initiatives were renewed and expanded; this programme brings together the activities that the Parent Company dedicates to career guidance, the development of transversal skills, financial education and, more generally, relations with schools and universities. The aim of the programme is to promote employer branding, strengthen the link between education and the world of work, support the country’s economic and social development, contribute to sustainable growth strategies and consolidate relations with customers and the area in which the Group operates. The main initiatives are aimed at:

- developing partnerships with universities and specialised schools through the activation of internships, co-teaching activities and targeted cooperation, participation in career guidance events, and collaboration on the drafting of company-based degree theses;
- promoting training, guidance and financial education projects with primary and secondary schools;
- designing and implementing financial education and work guidance activities to be promoted both internally and externally (e.g., in schools and universities) through workshops dedicated to specific target groups.

The **management plans** were based on the objectives dictated by the Industrial Plan, in particular:

- the closure of 53 branches, which took place in January, implemented with a strong focus on maintaining and enhancing the skills and professionalism of colleagues, with a view to facilitating the mobility of resources in accordance with the company’s needs, preceded by a discussion with the trade unions. The measures also included the inclusion, in the planned training pathways, of the staff affected by a change of role;
- the revision of the organisational structure of the General Management, with particular reference to the evolution of structures in response to the new features introduced by the DORA Regulation and, within the Information Technology function, to the creation of the unit dedicated to Digital Transformation in the first month of the year, with the aim of coordinating the evolution of the information system and making the most of the potential offered by new technologies as accelerators of the Industrial Plan objectives;
- the centralisation of Banca Widiba’s Logical Security within the Parent Company, with the consequent strengthening of the Information Security structure;
- the establishment of the AML Department in April;
- the initiative on the mortgage segment, involving the CCO Retail, COO and CLO Directorates, with the related organisational changes in July;
- the launch in July of the new specialist Premium TOP service, aimed at serving high net worth Retail customers through an appropriate advisory model, which enabled the development of the relational and commercial skills of the staff involved, as well as opportunities for professional growth to cover the new role. The initiative was accompanied by a management plan to fully enhance internal professional skills, with a targeted training programme to adapt skills to the new profile;
- the reorganisation of the CRO Directorate, with the consequent reallocation of responsibilities;
- the progressive strengthening of the value chains linked to supporting the Italian agri-food sector and the DOP Economy;
- the coverage of network activities, including the planned reinforcement of commercial roles, guaranteed by upgrade processes;
- the continuation of the replenishment plan envisaged for the control functions.

In the ordinary activities of human capital management and in the various projects, the objective remains to pursue the best allocation of resources and the maximisation of engagement, accompanying execution with the use of all internal communication channels as well as with a programme of individual interviews to share the main rationales and expected benefits.

Internal communication supports the sharing of Group strategies, safeguards the corporate identity and disseminates its values. The corporate functions share with internal communication the information and involvement needs of

colleagues, which are thus translated into editorial plans developed through the integrated use of internal channels in relation to recurring or extraordinary activities.

In the course of 2025, specific multi-channel communication plans were implemented through which awareness of key cross-cutting issues was spread:

- measures and operating rules of the reward system (with the creation of a permanent intranet section to understand variable remuneration metrics and raise awareness of the results to be achieved) and professional development, to promote a single, coherent narrative and the sharing of a clear culture of merit;
- awareness-raising on ESG issues, environmental sustainability and social equity;
- risk culture, with regular communications throughout the year and the organisation of an online meeting involving senior management;
- public tender and exchange offer (OPAS) for Mediobanca. Dedicated plan to keep the corporate population informed about the development of the Offer.

The year 2025 was characterised by the evolution of the training platform (MPS Academy), with the integration of multimedia learning objects (adaptive courses) that consolidate the application of the 3D Approach training framework. These tools, combined with the use of training courses, allow for tailor-made training programmes, i.e. customisation of enrolments in the courses by role with the same total duration.

In 2025, approximately 683,000 hours of training were delivered at Group level (excluding Mediobanca), equivalent to 41.6 hours per capita. The activity involved 99% of the personnel and is subject to joint monitoring with the trade unions, including within the Joint Training Body.

In order to promote the spread of *risk culture* and to highlight the value created by training initiatives in terms of process coverage and monitoring of business risks, a *unitary training framework* has been implemented for several years now, enabling each training activity to be associated with one or more business processes/risks from the design phase. This framework ensures a “tailor-made” approach to programming in high-risk areas (such as credit, anti-money laundering and financial crimes, customer protection and transparency, data governance and cyber security) conducted at the end of a risk assessment and skills gap analysis exercise, which make it possible to determine the risk exposure (so-called “risk rating”) for each company role and the consequent specific training requirement, directing training towards the areas and company profiles most exposed to risks, which therefore require higher-level skills. In addition, by value enhancing the potential of the 3D model and continuing its development, a new training system was finalised on the 231/01 model, which strengthens awareness and control of risk. Among the initiatives involving key and strategic roles, a Board Induction event was held for all members of the BoD and the Board of Statutory Auditors on the topic of Cybersecurity.

Finally, health and safety training was intensified by focusing on the provision of specific courses for emergency workers, supervisors and managers, workers’ representative for health and safety (*Rappresentante dei Lavoratori per Sicurezza*, RLS), trade union representation (*Rappresentanza Sindacale Aziendale*, RSA), achieving almost total training coverage.

As regards **remuneration policies** they are designed to promote the sustainability of performance and business results, the achievement of strategic objectives in the short and long term, and the enhancement of employees, meritocracy, skills development and professional growth. The structure of remuneration arrangements, based on gender neutrality, is consistent with applicable market practices and uses position weighting. This approach allows continuous and accurate monitoring of internal equity, verifying the alignment of employees’ remuneration packages for the same classification level, and external competitiveness, through benchmarking against the reference market.

Remuneration and incentive policies also represent a management tool to steer management and staff towards widespread and inclusive leadership, as well as a strategic lever for creating sustainable value, through an appropriate balance between the fixed and variable components of remuneration and ensuring that the latter is linked, inter alia, to performance indicators related to ESG objectives.

The Group’s remuneration and incentive policies are described every year in the “Report on the remuneration policy and on compensation paid”, prepared under Article 123-ter of the Consolidated Law on Finance (TUF) and subject to approval by the Shareholders’ Meeting.

2024-2028 Industrial Plan

The 2024-2028 Industrial Plan, approved by the Board of Directors of the Parent Company on 5 August 2024, “A Clear and Simple Commercial Bank Revolving Around Customers, Combining Technology With Human Touch”, aimed to create a Bank capable of successfully meeting evolving customer needs through a process of corporate and technological innovation supported by a broad investment plan, fully leveraging talented resources, further improving business sustainability, strengthening the balance sheet, and focusing on the distribution and creation of value for all stakeholders.

The following is a summary of the key results achieved as at 31 December 2025, compared with the figures set out in the Plan.

In terms of financial targets, the 2025 result exceeded expectations, thanks in particular, to higher revenues (better than expected across all components) and lower operating expenses (in a context of rigorous cost control and continued focus on cost optimisation actions). On the credit front, the objectives of both ordinary destocking and restoration to performing status, in addition to the contributions from disposal operations, have allowed the Gross NPE ratio to reach levels better than the Plan, with a cost level below Plan expectations (despite the uncertain macroeconomic context). As a result of the economic trends described above, the profitability indicators (Cost income, ROE, ROTE) were all better than the Plan forecast.

New 2026-2030 Industrial Plan

The Parent Company's Board of Directors approved, on 26 February 2026, the 2026–2030 Industrial Plan, “From Deep Roots to New Frontiers – A Leading Competitive Force in Banking”.

The new Industrial Plan (the “Plan”) marks a step change in the Group's strategic positioning and structure, building on the successful transformation delivered in recent years and on the integration with Mediobanca, with the objective of creating a leading, diversified and competitive banking group with solid profitability, robust capital position and enhanced shareholder returns.

The approval of the new Plan follows the successful completion of the public tender and exchange offer on Mediobanca, which recorded an acceptance rate of 86.3%.

The transaction envisages the merger by incorporation of Mediobanca into Banca Monte dei Paschi di Siena¹⁴, with the objective of creating a single, integrated banking group while preserving the distinctive identities, brands and areas of excellence of the two institutions and realizing full synergy potential of EUR 700 mln.

Following the completion of the merger with Mediobanca, the Group will operate under a clear and streamlined organizational structure, articulated into five distinctive business divisions, designed to fully capture industrial synergies, strengthen managerial accountability and accelerate execution while ensuring revenues quality with a well-diversified business mix:

- *Retail & Commercial Banking*, as the primary relationship and origination engine, supported by AI-powered processes and accelerated digital journeys; this division contributes for about 29% of the Group revenues.
- *Consumer Finance*, leveraging Compass as a scalable center of excellence, with international growth ambitions; this division contributes about 19% of the Group revenues.
- *Asset Gathering & Wealth Management*, as a fee-compounding growth engine integrating Widiba and Premier capabilities; this division contributes about 21% of the Group revenues.
- *Private Banking*, positioned as a private investment banking franchise at scale, focused on entrepreneurs and high-net-worth individuals; this division contributes about 9% of the Group revenues.
- *Corporate & Investment Banking*, advisory-led and increasingly international, combining debt, markets and commercial banking services; this division contributes about 14% of the Group revenues.

In addition, Principal Investing ensures diversified and uncorrelated earnings generation, including the strategic stake in Assicurazioni Generali; this activity contributes about 8% of the Group revenues.

The integration plan foresees a phased approach, with the merger and the main corporate and governance steps expected to be completed by the end of 2026, and the full realization of the target operating and IT model thereafter.

¹⁴ Subject to completion of relevant corporate and regulatory approvals.

The Plan is built on a set of clearly defined pillars that underpin the Group's ability to deliver sustainable growth and long-term value creation.

At its core, the Plan leverages the strength of Monte dei Paschi and Mediobanca highly visible and trusted iconic brands, serving more than 7 million clients, and a deeply rooted commercial franchise, which continues to represent a key competitive advantage in terms of client proximity, trust and market presence. This foundation is strengthened further by a highly diversified, and complementary business mix, which enhances earnings quality and resilience across economic cycles, while enabling the Group to address client needs along the full spectrum of financial services.

Technology and digital transformation represent another foundational pillar of the Plan: the Group has defined a unified Digital and AI agenda, with approximately 1.0 bn of EUR of IT investments over 2026–2030, aimed at modernising, securing and scaling the Group's platforms and operations. The strategy is centred on the deployment of a single digital and AI engine to support end-to-end customer journeys, faster credit and decision processes, and improved operational efficiency. This technology-driven approach is expected to deliver sustainable operating leverage, accelerate execution across the Group and support the successful integration of the combined perimeter.

In addition, the relevant scale and best-in-class capital position ensure the financial flexibility required to pursue value-accretive opportunities, domestic or international, and support disciplined growth.

A further key enabler of the Plan is the Group's unparalleled human capital and talents, with strong specialist capabilities acting as a central driver of execution, integration and innovation.

Key Financial and Capital targets 2026–2030

The 2026–2030 Industrial Plan is underpinned by a clear and disciplined set of financial and capital targets, aimed at delivering sustainable profitability, operating leverage and superior shareholder returns, while preserving a solid risk and capital profile.

In particular, the Plan targets:

- Operating Income increasing from EUR 7.6 bn in 2025 to EUR 9.5 bn in 2030, supported by a growing contribution from fee-based businesses and a diversified revenue mix.
- Cost / Income Ratio improving from 46% in 2025 to 38% in 2030, reflecting strong operating leverage, disciplined cost management and technology-driven efficiency gains.
- Adjusted Net Profit¹⁵ increasing from EUR 2.4 bn in 2025 to EUR 3.7 bn in 2030, with a robust and resilient earnings profile across economic cycles.
- CET1 Ratio maintained at 16% throughout the plan horizon, ensuring a best-in-class capital position and significant strategic flexibility.
- Dividend distribution with a 100% payout ratio over the plan horizon, resulting in about EUR 16 bn of cumulative distributions, confirming the Group's commitment to attractive and sustainable shareholder remuneration.

Funding strategy

The Funding Plan identifies the Group's financing requirements, based on the evolution of the financial statement aggregates projected in the Industrial Plan, and describes the related implementation strategies.

It identifies the mix of instruments/sources/channels aimed at minimising the overall cost of funding, while ensuring appropriate diversification of sources, a sustainable level of market access and adequate conditionality safeguards, so as to guarantee its strength even in the event of significant deviations from the baseline scenario. It is designed to comply with all relevant internal and regulatory liquidity and funding requirements (such as KRIs: LCR, NSFR, AE, MREL, etc.) and to ensure the stability of the rating profile, favouring its gradual positive evolution.

Accordingly, the 2026-2030 Funding Plan aims to finance the expected growth in lending – leading to an increase (in absolute terms) in the cumulative commercial imbalance of approximately EUR 17.9 bn at the end of 2030 – and to consolidate structural funding, taking into account the significant aggregate maturities (2026: EUR 10.5 bn, 2027: EUR 11 bn, 2028: EUR 8.4 bn, 2029: EUR 13.1 bn, 2030: EUR 11.7 bn), while reducing recourse to the institutional market – particularly unsecured – where possible, compared to the provisions of the stand-alone plans, in order to achieve the funding synergies outlined in the Industrial Plan. In general, it provides for a rebalancing of the liability structure to

¹⁵ Adjusted net profit for one-off items and extraordinary items, including the effects of Purchase Price Allocation (PPA). For 2025, gross of minority interests.

maintain the efficient frontier between regulatory indicators, credit spreads and ratings. In view of the above maturities, funding operations are planned over the plan period amounting to EUR 16.7 bn in 2026, EUR 18 bn in 2027, EUR 15.7 bn in 2028, EUR 16.1 bn in 2029 and EUR 15.7 bn in 2030.

The implementation of the Funding Plan also requires, subject to authorisation by the competent authorities, the exercise of call options on senior and subordinated bonds. Regarding Banca MPS, only one call option is expected to be exercised in 2026, relating to a senior issue of EUR 500 mln, while regarding Mediobanca issues, in November 2025, SRB issued a "General Prior Permission" authorisation allowing the systematic exercise of calls for an amount of EUR 1.4 bn during 2026. It should be noted that, even with authorisations in place, the securities in question will only be recalled if market conditions make early redemption favourable.

During 2025, as part of Banca MPS stand-alone funding plan the following senior, covered bond and Tier 2 subordinated issues planned for 2025 were carried out, in particular:

- senior bond issues for EUR 1 bn of which of EUR 0.5 bn in May, maturing in 2031 and EUR 0.5 bn in November maturing in 2031;
- covered bond issue of EUR 0.75 bn in June, maturing in 2031, increased by a tap issuance of EUR 0.25 bn in December;
- issuance of subordinated Tier 2 for EUR 0.5 bn in July, maturing in 2035.

The Group's funding policies and strategies will be updated annually and will include, in greater detail, the effective actions to be undertaken during the reference year and the authorisations granted to the operating structures for their implementation.

Commitments related to the State Aid received in 2017

On 15 December 2025, the Monitoring Trustee sent the Bank the outcome of the final reporting on the Bank's compliance framework with the obligations undertaken towards the European Commission.

Following the final review of the implementation status of the Commitments relating to the 2017-2021 Restructuring Plan, the Bank is substantially compliant with the commitments undertaken. On 4 March 2026, the Bank received notification from DG Comp that the commitments assumed by the Italian Republic at the time of the 2017 Capital increase, most recently revised by decision of the Commission on 2 August 2022, had been fulfilled, and therefore the related monitoring procedure had been concluded.

Income statement and balance sheet figures reclassification principles

The balance sheet and income statement are shown below in reclassified form according to management criteria in order to provide an indication of the Group's general performance based on economic and financial information that can be quickly and easily determined.

A disclosure is provided below on the aggregations and main reclassifications systematically performed with respect to the financial statement templates established by Circular no. 262/05. The breakdown of these aggregations and reclassifications are provided, with separate statements, in the annexes to this file, also in compliance with the requirements of Consob Communication no. 6064293 of 28 July 2006.

This Consolidated Report on Operations incorporates the effects of the acquisition of Mediobanca and its subsidiaries, first consolidated as from 30 September 2025. It should be noted that, with reference to the income statement, the contribution of the Mediobanca Group accrues from the acquisition date and therefore relates to the October–December 2025 quarter.

It should also be noted that, given the particular nature of the transaction, no adjustments have been made to the historical data in the income statement and balance sheet reclassified to retroactively reflect the effects of the acquisition transaction. In this Report, performance commentary is provided – unless otherwise specified – on a like-for-like scope, namely:

- net of the contribution of the Mediobanca Group for the comparison of the income statement and balance sheet figures as at 31 December 2025 with the corresponding figure for the previous year and of the income statement figures for the fourth quarter with the previous quarter;
- with inclusion of Mediobanca's contribution solely for the comparison of balance sheet figures as at 31 December 2025 with the figures as at 30 September 2025.

However, to enhance the understanding of the information, the main figures relating to the acquired Group and the consolidated figure inclusive of these amounts are highlighted in the tables relating to the analysis of P&L and balance sheet aggregates.

As indicated in the Annual Financial Report as at 31 December 2024, to which reference is made, the subsidiary Monte Paschi Banque S.A. (hereinafter "MP Banque") was classified, as of 30 June 2024, as a disposal group and was therefore measured on the basis of the expected sale price, which was lower than its net carrying amount, in accordance with IFRS 5. As at 31 December 2025, in order to ensure continuity with previously published commentary and to facilitate understanding of economic and financial performance relative to the corresponding comparative periods, the costs and revenues, as well as the assets and liabilities relating to the consolidated contribution of the subsidiary MP Banque, although classified as a disposal group under IFRS 5, have been included line by line within the relevant income statement and balance sheet items.

It should also be noted that, within the reporting of Direct funding, starting from the Half-yearly Report at 30 June 2025, the item "Bonds" will also include volumes relating to bilateral funding transactions backed by own-issued Securities, which were previously reported under other forms of direct funding. Comparative period data have been restated from those originally published at the respective reporting dates in order to allow for consistent comparison.

Finally, note that the balance sheet and income statement figures for the first and third quarters of 2025 and the comparative figures for the first and third quarters of 2024 referring to the insurance associates AXA MPS Assicurazioni Danni S.p.A. and AXA MPS Assicurazioni Vita S.p.A., are estimated by them using proxies or simplified calculation models, given the greater onerous nature of the accounting calculations under IFRS 17 and IFRS 9 compared to the valuations made under the previous accounting standards IFRS 4 and IAS 39.

- The item "**Net interest income**" includes the balance of financial statement items 10 "Interest income and similar revenues" and 20 "Interest expense and similar charges", from which the following were excluded:
 - net interest of EUR -20.4 mln relating to securities lending rebates, reclassified under "Net profit (loss) from trading, fair value measurement of assets/liabilities and gains on disposals/repurchases";
 - net interest of EUR -1.0 mln, reclassified under the item "Extraordinary/integration transaction expenses";
 - net interest of EUR -51.5 mln relating to the economic effects of the Purchase Price Allocation (PPA), reclassified to a specific item.

The aggregate was increased by interest accrued on the pay and receive legs of trading asset swaps, originally recognised under item 80 "Net profit (loss) from trading", for an amount of EUR 13.6 mln and also includes the portion relating to the subsidiary MP Banque of EUR +22.7 mln recognised under item 320 "Profit (loss) after tax from assets held for sale and discontinued operations".

- The item **"Net fee and commission income"** includes the balance of financial statement items 40 "Fee and commission income" and 50 "Fee and commission expense", from which the following were excluded:
 - the portion relating to provisions set aside for customer repayments relating to previous years (EUR -1.9 mln);
 - fees and commissions relating to securities lending transactions, amounting to EUR +2.5 mln, reclassified under "Net profit (loss) from trading, fair value measurement of assets/liabilities and gains on disposals/repurchases".

The aggregate was increased by:

- an amount of EUR +3.4 mln relating to the rebate, by the placing counterparties, of penalties on early repayments of consumer loans, recognised under item 230 "Other operating expenses/income";
- the amount of EUR +4.8 mln recognised under item 160 "Result of insurance services";
- the portion relating to the subsidiary MP Banque equal to EUR +8.4 mln, recognised under Item 320 "Profit (loss) after tax from discontinued operations".
- The item **"Dividends, similar income and gains (losses) on investments"** includes financial statement item 70 "Dividends, similar income" and the relevant portion of profits from investments in associates, amounting to EUR +227.9 mln, included in financial statement item 250 "Gains (losses) on investments". The aggregate has also been adjusted for the dividends received on equity securities other than equity investments (EUR +24.9 mln), reclassified under the item "Net profit (loss) from trading, fair value measurement of assets/liabilities and gains on disposals/repurchases".
- The item **"Net profit (loss) from trading, fair value measurement of assets/liabilities and gains on disposals/repurchases"** includes the values of the following financial statement items:
 - 80 "Net profit (loss) from trading", from which the amount relating to accrued interest on the pay and receive legs of trading asset swaps (EUR +13.6 mln, reclassified under the item "Net interest income") and the economic effects of the PPA (EUR +9.8 mln, recognised under a separate item) have been separated;
 - 100 "Gains (Losses) on disposal/repurchase", net of the contribution of loans to customers (EUR +17.3 mln, reclassified under the reclassified item "Cost of customer credit") and the economic effects of the PPA (EUR -8.4 mln, recognised under a separate item);
 - 110 "Net profit (loss) from other financial assets and liabilities measured at fair value through profit or loss", net of the contribution of loans to customers (EUR +0.3 mln) and securities deriving from disposal/securitisation of non-performing loans (EUR -28.9 mln), reclassified under the reclassified item "Cost of customer credit".

This aggregate also incorporates:

- amounts relating to dividends earned on equity securities other than equity investments (EUR +24.9 mln),
- amounts relating to interest (EUR -20.4 mln) and fees and commissions (EUR +2.5 mln) on securities lending transactions,
- the net result of commodities transactions (EUR 163.7 mln), originally recognised under item 230 "Other operating expenses/income",
- the portion relating to the subsidiary MP Banque amounting to EUR +0.2 mln, recognised under Item 320 "Profit (loss) after tax from discontinued operations".
- The item **"Net profit (loss) from hedging"** includes Item 90 "Net Profit (loss) from Hedging".
- The item **"Other operating income/expenses"** includes the balance of Item 230 "Other operating expenses/income" net of:
 - recovery of indirect taxes and Taxes and other expenses that are classified under the reclassified item "Other Administrative Expenses" (EUR 300.5 mln);
 - recovery of training expenses, reclassified as reductions in "Personnel expenses" (EUR 1.9 mln) and "Other administrative expenses" (EUR 0.6 mln);
 - other recoveries of personnel expenses, reclassified as a reduction of "Personnel Expenses" (EUR 2.4 mln);
 - other charges reclassified under the item "Other net provisions for risks and charges" (EUR -0.7 mln);
 - net result of commodities transactions (EUA certificates), amounting to EUR 163.7 mln, reclassified under the item "Net profit (loss) from trading, fair value measurement of assets/liabilities and gains on disposals/repurchases";
 - income relating to the rebates by placing counterparties, of penalties on early repayment of consumer credit loans, reclassified as an addition to the item "Net fee and commission income" for EUR 3.4 mln;

- charges mainly relating to the Interest B share attributable to Arma's third-party partners, reclassified under the item "Profit (Loss) for the period attributable to non-controlling interests" for EUR -5.1 mln.

The item also includes the portion relating to the subsidiary MP Banque amounting to EUR +0.3 mln, recognised under Item 320 "Profit (loss) after tax from discontinued operations".

- The item **"Personnel expenses"** includes the balance of financial statement item 190a "Personnel expenses", from which the following have been separated:
 - charges of EUR 16.1 mln related to departures through Early Retirement or access to the Solidarity Fund, reclassified under the item "Restructuring costs",
 - charges of EUR 16.0 mln relating to the revision of the incentive system following the acquisition of Mediobanca, reclassified under the item "Extraordinary transactions/integration costs";
 - charges of EUR 7.0 mln, as an exit incentive granted to certain Mediobanca managers, reclassified under the item "Extraordinary transactions/integration costs".

The aggregate also includes the recovery of training costs (EUR 1.9 mln) and other recoveries of personnel expenses (EUR 2.4 mln) recorded in the financial statements under item 230 "Other operating expenses/income" as well as the share of the cost relating to the subsidiary MP Banque amounting to EUR 9.0 mln, recorded under item 320 "Profit (loss) after tax from discontinued operations".

- The item **"Other Administrative Expenses"** includes the balance of item 190b "Other Administrative Expenses", reduced by the following cost items:
 - DTA fee (Deferred Tax Assets) convertible into tax credit, for EUR 57.4 mln, posted to the reclassified item "DTA fee";
 - charges, amounting to EUR 7.6 mln, introduced against banks under the deposit guarantee mechanisms (FITD), attributed to the reclassified item "Risks and charges associated with SRF, DGS and similar schemes";
 - charges, amounting to EUR 2.3 mln, relating to the insurance guarantee fund for life business pursuant to Law No. 213 of 30 December 2023, attributed to the reclassified item "Risks and charges associated with SRF, DGS and similar schemes";
 - expenses amounting to EUR 4.0 mln, relating to initiatives also aimed at the implementation of project initiatives connected to the Industrial Plan;
 - charges, amounting to EUR 15.9 mln, attributed to the reclassified item "Extraordinary transactions/integration costs", of which EUR 9.0 mln relates to integration consulting and EUR 6.9 mln to the portion of the ancillary costs of the OPAS not attributable to shareholders' equity.

The item also incorporates indirect taxes and taxes and other expenses recovered from customers (EUR 300.5 mln), and the recovery of expenses incurred for training (EUR 0.6 mln) recorded in the financial statements under item 230 "Other operating expenses/income", as well as the portion of the cost relating to the subsidiary MP Banque for EUR 13.8 mln, recognised under item 320 "Profit (loss) after tax from discontinued operations".

- The Item **"Net value adjustments to property plant and equipment and intangible assets"** includes the values of the financial statement Items 210 "Net Adjustments/Recoveries on Property, Plant and Equipment" and 220 "Net Adjustments/recoveries on Intangible Assets". Adjustments of EUR -1.5 mln referring to the closure of branches were separated from the aggregate, recognised under the reclassified item "Restructuring costs". Also included is the portion of adjustments relating to the subsidiary MP Banque for EUR -2.1 mln, recognised under item 320 "Profit (loss) after tax from discontinued operations".
- The item **"Cost of customer credit"** includes the income statement components relating to loans to customers of financial statement items 100a "Gains/losses on disposal/repurchase of financial assets measured at amortised cost" (EUR +17.3 mln), 110a "Net profit (loss) on financial assets and liabilities measured at *fair value*" (EUR +0.8 mln), 110b "Net profit (loss) on financial assets mandatorily measured at *fair value*" (EUR -0.5 mln), 130a "Net impairment (losses)/reversal for credit risk on financial assets measured at amortised cost" (EUR -817.6 mln), 140 "Modification gains/losses" (EUR -4.6 mln) and 200a "Net provisions for risks and charges - commitments and guarantees issued" (EUR +1.9 mln). The item also includes the P&L components relating to securities deriving from the transfer/securitisation of non-performing loans recognised in item 110b "Net result of other Financial assets mandatorily measured at *fair value*" (EUR -28.9 mln). The aggregate was also reduced by the P&L effects due to the reinstatement of the ECL (Expected credit loss) on performing exposures of the Mediobanca Group, amounting to EUR 431.8 mln, which had been eliminated as a result of the adjustment to fair value of the loan portfolio, and reclassified under the item *"Net P&L effects of Purchase Price Allocation"*. Lastly, the item is also affected by the net reversal (EUR +0.8 mln) relating to the subsidiary MP Banque, recognised under item 320 "Profit (loss) after tax from discontinued operations".

- The item **"Net impairment (losses)/reversals of securities and loans to banks"** includes the portion relating to securities (EUR +2.6 mln) and loans to banks (EUR -2.7 mln) of balance sheet item 130a "Net impairment (losses)/reversals for credit risk on financial assets measured at amortised cost" and balance sheet item 130b "Net impairment (losses)/reversals for credit risk on financial assets measured at *fair value* through other comprehensive income".
- The item **"Other net provisions for risks and charges"** includes the balance of financial statement item 200 "Net provisions for risks and charges", reduced by the component relating to loans to customers of item 200a "Net provisions for risks and charges for commitments and guarantees issued" (EUR +1.9 mln), which has been reclassified to the specific item "Cost of customer credit". The item also includes charges for customer repayments relating to previous years recognised under "Fee and commission income" (EUR -1.9 mln) and other charges recorded as a reduction of "Other operating income/expenses" (EUR -0.7 mln).
- The item **"Other gains (losses) on equity investments"** includes the balance of financial statement item 250 "Gains (losses) on investments", reduced by the portion of profit attributable to the associates amounting to EUR 227.9 mln, reclassified under the item "Dividends, similar income and gains (losses) on investments".
- The item **"Restructuring costs/One-off costs"** includes the following amounts:
 - costs of EUR 16.1 mln related to departures through the Early Retirement Scheme or access to the Solidarity Fund accounted for in financial statements item 190a "Personnel Expenses";
 - charges, equal to EUR 1.5 mln, relating to branch closures, recorded in item 210 "Net Adjustments/recoveries on property, plant and equipment";
 - expenses, amounting to EUR 4.0 mln, relating to initiatives also aimed at the implementation of project activities connected to the Industrial Plan, recognised in the financial statements under item 190b "Administrative expenses";
 - expenses of EUR 6.7 mln included under item 320 "Profit (loss) after tax from discontinued operations", relating to the valuation of MP Banque in accordance with IFRS 5. This amount offsets the positive contribution to Group profit from MP Banque, which has been reclassified under the relevant individual income statement items.
- The item **"Costs of extraordinary operations"** includes costs amounting to EUR 39.9 mln incurred in relation to the OPAS and the subsequent integration, recognised in the financial statements under item 20 "Interest expense and similar charges" for EUR -1.0 mln, under item 190b "Other administrative expenses" for EUR 15.9 mln and under item 190a "Personnel expenses" for EUR 23.0 mln.
- The item **"Risks and charges associated with SRF, DGS and similar schemes"** includes charges associated with contributions to the European resolution fund (with a zero balance at 31 December 2025), the deposit guarantee fund (EUR 7.6 mln) and the insurance guarantee fund for life business pursuant to Law No. 213 of 30 December 2023 (EUR 2.3 mln), recognised under item 190b "Other Administrative Expenses".
- The item **"DTA fee"** includes charges relating to the fee on DTAs that can be converted into a tax credit, recognised under item 190b "Other Administrative Expenses", for an amount of EUR 57.4 mln.
- The item **"Net gains (losses) on property, plant and equipment and intangible assets measured at fair value"** includes the balance of financial statement item 260 "Net gains (losses) on property, plant and equipment and intangible assets measured at fair value".
- Item **"Gains (Losses) on Disposals of Investments"** includes the balance of financial statement item 280 "Gains (Losses) on Disposals of Investments".
- The item **"Income taxes for the year"** includes the balance of item 300 "Income taxes for the year from current operations", net of the P&L effects of the PPA amounting to EUR +161.4 mln, which have been recognised under a separate item. The item includes the portion relating to the subsidiary MP Banque amounting to EUR -1.0 mln, recognised under Item 320 "Profit (loss) after tax from discontinued operations".
- The item **"Profit (loss) after tax from discontinued operations"** includes the balance of item 320 "Profit (loss) after tax from discontinued operations" (equal to EUR -0.2 mln). Specifically, the amount of EUR -6.7 mln relating to the valuation of MP Banque under IFRS 5 was reclassified under "Restructuring costs", and the amount of EUR 6.5 mln, referring to the subsidiary's profit (loss) for the period, was reallocated to the relevant income statement items.
- The item **"Net Profit (loss) for the year"** includes the balance of item 330 "Profit (loss) for the year".
- The item **"Net Profit (Loss) for the year attributable to non-controlling interests"** includes the balance of item 340 "Profit (Loss) for the year attributable to non-controlling interests", supplemented by the amount of EUR -5.1 mln, recognised under item 230 "Other operating expenses/income", mainly relating to the Interest B share attributable to Arma's third-party partners.
- The item **"PPA (Purchase Price Allocation)"** includes amortisation charges on financial assets and liabilities measured at fair value as part of the business combination, amounting to EUR -50.1 mln, and the reinstatement of

the ECL on performing exposures of the Mediobanca Group amounting to EUR -431.8 mln, whose loss provisions were derecognised as provided for by IFRS 3. These effects, recognised in the relevant individual income statement items, amount to EUR -320.6 mln net of the related tax effect.

Balance sheet data

- The asset item **"Cash and cash equivalents"** includes balance sheet item 10 "Cash and cash equivalents", supplemented by the portion of EUR 840.1 mln relating to the subsidiary MP Banque, recognised in item 120 "Non-current assets held for sale and disposal groups".
- The asset item **"Loans to Central Banks"** includes the portion relating to transactions with central banks of financial statement item 40 "Financial assets measured at amortised cost". The aggregate also incorporates the portion relating to the subsidiary MP Banque, amounting to EUR 7.6 mln and recognised under item 120 "Non-current assets held for sale and disposal groups".
- The asset item **"Loans to banks"** includes the portion relating to operations with banks of item 40 "Financial assets measured at amortised cost" and item 20 "Financial assets measured at fair value through profit or loss". The aggregate also incorporates the portion relating to the subsidiary MP Banque, amounting to EUR 0.3 mln and recognised under item 120 "Non-current assets held for sale and disposal groups".
- The asset item **"Loans to customers"** includes the portion relating to loans to customers from financial statement items 20 "Financial assets measured at *fair value* through profit and loss" and 40 "Financial assets measured at amortised cost", supplemented by the amount of EUR 281.5 mln recognised under item 120 "Non-current assets held for sale and disposal groups", of which EUR 178.7 mln refers to the subsidiary MP Banque and the remaining EUR 102.8 mln relates to non-performing loans of the Parent Company subject to disposal.
- The asset item **"Securities assets"** includes the portion relating to securities in financial statement items 20 "Financial assets measured at fair value through profit and loss", 30 "Financial assets measured at fair value through other comprehensive income", 40 "Financial assets measured at amortised cost". The item also includes the amount related to certificates listed on EUA markets for EUR 1,375.9 mln recorded in the balance sheet item 130 "Other assets".
- The asset item **"Derivatives"** includes the portion relating to derivatives of financial statement items 20 "Financial Assets Measured at Fair Value through Profit or Loss" and 50 "Hedging Derivatives".
- The asset item **"Equity investments"** includes item 70 "Equity investments".
- The asset item **"Property, plant and equipment and intangible assets"** includes financial statement items 90 "Property, plant and equipment", 100 "Intangible assets" and the amounts, equal to EUR 60.9 mln relating to property, plant and equipment and intangible assets under financial statement item 120 "Non-current assets held for sale and disposal groups", of which EUR 18.5 mln related to the subsidiary MP Banque, EUR 34.9 mln to the Parent Company and EUR 7.5 mln to Mediobanca.
- The asset item **"Tax assets"** includes balance sheet item 110 "Tax assets" and the amount, equal to EUR 1.1 mln, relating to the subsidiary MP Banque and recognised under item 120 "Non-current assets held for sale and disposal groups".
- The asset item **"Other assets"** includes financial statement item 60 "Change in value of financial assets subject to macro-hedging", and the amounts of items 130 "Other assets" and 120 "Non-current assets held for sale and disposal groups" not included in the previous items.
- The liability item **"Due to customers"** includes balance sheet item 10b "Financial liabilities measured at amortised cost – due to customers", the component relating to customer securities under balance sheet item 10c "Financial liabilities measured at amortised cost – debt securities issued" and the amount under item 70 "Liabilities associated with assets held for sale" equal to EUR 906.2 mln, entirely attributable to the subsidiary MP Banque.
- The liability item **"Securities issued"** includes financial statement items 10c "Financial liabilities measured at amortised cost – Debt securities issued", from which the component relating to customer securities has been separated, and 30 "Financial liabilities measured at *fair value*".
- The liability item **"Due to Central banks"** includes the portion of balance sheet item 10a "financial liabilities measured at amortised cost – due to banks" relating to transactions with central banks.
- The liability item **"Due to banks"** includes the portion of balance sheet item 10a "Financial liabilities measured at amortised cost – due to banks" relating to transactions with banks (excluding central banks) and the amounts in

item 70 "Liabilities associated with non-current assets held for sale and discontinued operations", amounting to EUR 0.4 mln, entirely attributable to the subsidiary MP Banque.

- The liability item **"On-Balance-Sheet Financial Liabilities Held for Trading"** includes the portion of financial statement item 20 "Financial Liabilities Held for Trading" net of the amounts relating to derivatives for trading.
- The liability item **"Derivatives"** includes financial statement item 40 "Hedging Derivatives" and the portion related to derivatives in financial statement item 20 "Financial Liabilities Held for Trading".
- Liability item **"Provision for specific use"** includes item 90 "Provision for employees severance pay", item 100 "Provisions for risks and charges" and the amounts in item 70 "Liabilities associated with non-current assets held for sale and discontinued operations" equal to EUR 3.0 mln and referring entirely to the subsidiary MP Banque.
- The liability item **"Tax liabilities"** includes balance sheet item 60 "Tax liabilities" and the amount of item 70 "Liabilities associated with non-current assets held for sale and discontinued operations" equal to EUR +1.1 mln, entirely attributable to the subsidiary MP Banque.
- The liability item **"Other liabilities"** includes item 50 "Change in value of macro-hedged financial liabilities", item 80 "Other liabilities", item 110 "Insurance liabilities", and amounts in item 70 "Liabilities associated with non-current assets held for sale and discontinued operations" not restated under previous items.
- The liability item **"Group net equity"** includes item 120 "Valuation reserves", item 150 "Reserves", item 160 "Share premium", item 170 "Share Capital", item 200 "Profit (loss) for the year".

Reclassified income statement

Reclassified Consolidated Income Statement						
MONTEPASCHI GROUP	31 12 2025			31 12 2024 (d)	Chg. (c) (d)	
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)		Abs.	%
Net interest income	2,654.4	472.6	2,181.8	2,355.8	(174.0)	-7.4%
Net fee and commission income	1,792.3	206.3	1,586.0	1,465.3	120.7	8.2%
Income from banking activities	4,446.8	678.9	3,767.9	3,821.1	(53.2)	-1.4%
Dividends, similar income and gains (losses) on investments	241.3	141.1	100.2	92.7	7.5	8.1%
Net profit (loss) from trading the fair value measurement of assets/liabilities and Net gains (losses) on disposals/repurchases	237.6	40.4	197.2	115.2	82.0	71.2%
Net profit (loss) from hedging	8.3	8.8	(0.5)	(1.0)	0.5	-50.0%
Other operating income (expenses)	22.6	13.5	9.1	5.7	3.4	59.6%
Total Revenues	4,956.6	882.7	4,073.9	4,033.8	40.1	1.0%
Administrative expenses:	(2,116.5)	(389.8)	(1,726.7)	(1,697.8)	(28.9)	1.7%
a) personnel expenses	(1,520.8)	(239.5)	(1,281.2)	(1,228.8)	(52.4)	4.3%
b) other administrative expenses	(595.7)	(150.3)	(445.5)	(469.0)	23.5	-5.0%
Net value adjustments to property, plant and equipment and intangible assets	(187.4)	(29.2)	(158.2)	(171.3)	13.1	-7.6%
Operating expenses	(2,303.9)	(419.0)	(1,884.9)	(1,869.1)	(15.8)	0.8%
Pre-Provision Operating Profit	2,652.7	463.7	2,189.0	2,164.7	24.3	1.1%
Cost of customer credit	(399.0)	(70.1)	(328.9)	(409.5)	80.6	-19.7%
Net impairment (losses)/reversals on securities and loans to banks	(1.7)	(2.1)	0.4	(6.7)	7.1	n.m.
Net operating income	2,252.0	391.5	1,860.5	1,748.5	112.0	6.4%
Other net provisions for risks and charges	(21.9)	(3.6)	(18.3)	(68.4)	50.1	-73.2%
Other gains (losses) on equity investments	0.0	-	0.0	(1.0)	1.0	n.m.
Restructuring costs / One-off costs	(28.3)	-	(28.3)	(72.1)	43.8	-60.7%
Cost of extraordinary operations	(39.9)	(9.1)	(30.8)	-	(30.8)	n.m.
Risks and charges associated with the SRF, DGS and similar schemes	(10.0)	(2.0)	(8.0)	(77.5)	69.5	-89.7%
DTA Fee	(57.4)	-	(57.4)	(61.3)	3.9	-6.4%
Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	(23.7)	(1.3)	(22.4)	(27.4)	5.0	-18.2%
Gains (losses) on disposal of investments	5.1	-	5.1	3.7	1.4	37.8%
Profit (Loss) for the year before tax	2,075.9	375.5	1,700.4	1,444.5	255.9	17.7%
Income tax for the year	961.1	(88.2)	1,049.4	506.1	543.3	n.m.
Profit (Loss) after tax	3,037.0	287.3	2,749.7	1,950.6	799.1	41.0%
Net profit (loss) for the year	3,037.0	287.3	2,749.7	1,950.6	799.1	41.0%
Net profit (loss) attributable to non-controlling interests	0.7	0.9	(0.2)	(0.2)	-	0.0%
Parent Company's Profit (loss) for the year before PPA	3,036.3	286.4	2,749.9	1,950.8	799.1	41.0%
PPA (Purchase Price Allocation)	(320.6)	(320.6)	-	-	-	n.m.
Parent company's net profit (loss) for the year	2,715.7	(34.2)	2,749.9	1,950.8	799.1	41.0%

Quarterly trend in reclassified consolidated income statement										
MONTEPASCHI GROUP	2025						2024			
	4°Q 2025			3°Q 2025	2°Q 2025	1°Q 2025	4°Q 2024	3°Q 2024	2°Q 2024	1°Q 2024
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)							
Net interest income	1,016.6	472.6	544.1	543.7	551.1	543.0	588.0	595.6	585.2	587.0
Net fee and commission income	607.4	206.3	401.1	382.4	404.6	397.9	373.5	356.0	370.5	365.3
Income from banking activities	1,624.0	678.9	945.1	926.1	955.7	940.9	961.5	951.6	955.7	952.3
Dividends, similar income and gains (losses) on investments	180.5	141.1	39.4	19.2	25.4	16.1	25.7	26.8	21.2	19.0
Net profit (loss) from trading the fair value measurement of assets/liabilities and Net gains (losses) on disposals/repurchases	72.8	40.4	32.4	51.6	63.6	49.6	14.8	25.6	40.3	34.4
Net profit (loss) from hedging	8.8	8.8	(0.0)	-	(1.0)	0.5	(0.3)	(2.3)	2.0	(0.4)
Other operating income (expenses)	16.7	13.5	3.2	2.7	3.1	0.1	(5.3)	4.9	(1.3)	7.4
Total Revenues	1,902.8	882.7	1,020.1	999.7	1,046.8	1,007.3	996.4	1,006.7	1,017.9	1,012.8
Administrative expenses:	(823.3)	(389.8)	(433.5)	(429.3)	(430.1)	(433.7)	(432.2)	(425.1)	(420.9)	(419.7)
a) personnel expenses	(560.4)	(239.5)	(320.9)	(319.9)	(319.1)	(321.3)	(311.1)	(309.5)	(303.6)	(304.6)
b) other administrative expenses	(262.9)	(150.3)	(112.6)	(109.4)	(111.0)	(112.4)	(121.1)	(115.6)	(117.3)	(115.1)
Net value adjustments to property, plant and equipment and intangible assets	(69.4)	(29.2)	(40.2)	(38.8)	(40.8)	(38.4)	(44.6)	(42.3)	(42.0)	(42.4)
Operating expenses	(892.7)	(419.0)	(473.7)	(468.1)	(470.9)	(472.1)	(476.8)	(467.4)	(462.9)	(462.0)
Pre-Provision Operating Profit	1,010.1	463.7	546.5	531.5	575.8	535.2	519.6	539.3	555.0	550.8
Cost of customer credit	(144.8)	(70.1)	(74.7)	(79.1)	(84.1)	(91.0)	(109.3)	(96.3)	(98.3)	(105.7)
Net impairment (losses)/reversals on securities and loans to banks	(2.2)	(2.1)	(0.1)	0.3	(3.4)	3.6	(1.1)	(0.9)	(3.9)	(0.8)
Net operating income	863.1	391.5	471.7	452.8	488.3	447.7	409.2	442.2	452.8	444.3
Other net provisions for risks and charges	6.4	(3.6)	10.0	(2.5)	(1.1)	(24.7)	(31.9)	(21.7)	(10.8)	(4.0)
Other gains (losses) on equity investments	0.0	-	0.0	-	-	-	2.8	0.0	(3.8)	0.0
Restructuring costs / One-off costs	(7.7)	-	(7.7)	(5.4)	(8.5)	(6.7)	(14.2)	(16.5)	(33.7)	(7.7)
Cost of extraordinary operations	(33.0)	(9.1)	(23.9)	0.0	(0.3)	(6.6)	-	-	-	-
Risks and charges associated with the SRF, DGS and similar schemes	(10.0)	(2.0)	(8.0)	-	-	-	(2.2)	0.1	(0.4)	(75.0)
DTA Fee	(14.4)	-	(14.4)	(14.4)	(14.3)	(14.4)	(15.3)	(15.3)	(15.3)	(15.3)
Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	(21.6)	(1.3)	(20.3)	0.6	(4.7)	2.0	(9.1)	1.0	(19.3)	-
Gains (losses) on disposal of investments	5.1	-	5.1	-	-	-	8.9	0.8	0.1	(6.1)
Profit (Loss) for the year before tax	788.0	375.5	412.5	431.1	459.5	397.3	348.2	390.5	369.6	336.2
Income tax for the year	882.8	(88.2)	971.1	42.8	19.7	15.8	36.6	16.2	456.8	(3.5)
Profit (Loss) after tax	1,670.8	287.3	1,383.5	473.9	479.2	413.1	384.8	406.7	826.4	332.7
Net profit (loss) for the year	1,670.8	287.3	1,383.5	473.9	479.2	413.1	384.8	406.7	826.4	332.7
Net profit (loss) attributable to non-controlling interests	0.9	0.9	(0.0)	(0.1)	(0.1)	-	(0.1)	-	(0.1)	-
Parent Company's Profit (loss) for the year before PPA	1,669.9	286.4	1,383.5	474.0	479.3	413.1	384.9	406.7	826.5	332.7
PPA (Purchase Price Allocation)	(320.6)	(320.6)	-	-	-	-	-	-	-	-
Parent company's net profit (loss) for the year	1,349.3	(34.2)	1,383.5	474.0	479.3	413.1	384.9	406.7	826.5	332.7

Revenue trends

As at 31 December 2025, the Group generated total revenues of **EUR 4,957 mln**. Excluding the contribution relating to the Mediobanca perimeter, equal to EUR 883 mln, revenues amounted to EUR 4,074 mln and were up on the previous year (+1.0%).

Net of the contribution from the Mediobanca Group, the year-on-year trend of the aggregate was positively impacted by the increase in net fee and commission income (+8.2%, equal to EUR 120.7 mln) and in Other income from banking business (+43.5%, equal to EUR 90.0 mln), fully offsetting the reduction in net interest income (-7.4%, equal to EUR -174.0 mln), which during 2024 had benefited from interest rates at higher levels. Other operating income and expenses also posted a positive performance (EUR +3.4 mln).

In the fourth quarter of 2025, the Group generated revenues of EUR 1,903 mln. On a like-for-like basis, the aggregate amounted to EUR 1,020 mln, up 2.0% compared with the previous quarter, thanks to the increase in net fee and commission income (EUR +18.6 mln); net interest income (EUR +0.4 mln) and Other income from banking business (EUR +0.9 mln) were broadly stable.

With regard to the presentation of revenues for each of the operating segments identified in accordance with IFRS 8, please refer to the chapter on “Results by Operating Segment” in this Consolidated Report on Operations.

Net interest income as at 31 December 2025 amounted to **EUR 2,654 mln**. Net of the contribution relating to the Mediobanca Group (EUR +473 mln), the aggregate stands at EUR 2,182 mln, compared with EUR 2,356 mln in the previous year reflecting, in customer business, the reduction in interest rates by the ECB despite the increase in average lending volumes. This effect was only partially offset by lower interest expenses on debt securities issued (by EUR 9.8 mln); in detail, the latter benefited from the lower cost of institutional funding.

Net interest income for the fourth quarter of 2025, amounting to EUR 544 mln net of the contribution from the Mediobanca Group, was broadly stable compared with the previous quarter (+0.1%, equal to EUR +0.4 mln).

Items	31 12 2025			31 12 2024 (d)	Chg. Y/Y (c) (d)		4°Q 2025*	3°Q 2025	Chg. Q/Q	
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)		Abs.	%			Abs.	%
Loans to customers measured at amortised cost	2,556.0	647.8	1,908.2	2,059.6	(151.4)	-7.4%	487.5	483.9	3.6	0.7%
Loans to Banks measured at amortised cost	(21.4)	(75.8)	54.4	113.3	(58.9)	-52.0%	15.1	9.3	5.8	62.4%
Loans to Central Banks	121.0	(0.6)	121.6	143.3	(21.7)	-15.1%	25.3	30.8	(5.5)	-17.9%
Government securities and other non-bank issuers at amortised cost	328.2	49.9	278.3	283.3	(5.0)	-1.8%	68.6	68.2	0.4	0.6%
Securities issued	(677.0)	(214.0)	(463.0)	(472.8)	9.8	-2.1%	(117.6)	(123.2)	5.6	-4.5%
Hedging derivatives	(12.1)	(39.5)	27.4	9.7	17.7	n.m.	6.4	7.7	(1.3)	-16.9%
Trading portfolios	157.6	53.9	103.7	58.6	45.1	77.0%	25.9	27.4	(1.5)	-5.5%
Portfolios measured at fair value	14.3	8.1	6.2	7.5	(1.3)	-17.3%	0.0	1.6	(1.6)	-100.0%
Financial assets measured at fair value through other comprehensive income	79.3	39.1	40.3	42.1	(1.8)	-4.3%	9.5	11.2	(1.7)	-15.2%
Other financial assets and liabilities	108.5	3.7	104.8	111.2	(6.4)	-5.8%	23.3	26.8	(3.5)	-13.1%
Net interest income	2,654.4	472.6	2,181.8	2,355.8	(174.0)	-7.4%	544.0	543.7	0.3	0.1%
<i>of which: interest income on impaired financial assets</i>	102.3	23.7	78.6	102.1	(23.5)	-23.0%	18.3	17.7	0.6	3.4%

* The Q4 2025 figures, for a like-for-like comparison with the previous quarter, are shown net of the Mediobanca Group.

Net fee and commission income as at 31 December 2025 amounted to EUR 1,792 mln. Net of the contribution from the Mediobanca Group (EUR +206 mln), net fee and commission income amounted to EUR 1,586 mln, up on the previous

year (+8.2%, equal to EUR +120.7 mln). A positive performance was recorded in both management/brokerage and advisory activities (+13.3%, equal to EUR +94.7 mln) and in commercial banking activity (+3.5%, equal to EUR +26.0 mln). In particular, within the first fee and commission area, increased contributions came from portfolio distribution and management components (EUR +72.8 mln), brokerage and placement of securities and currencies (EUR +14.9 mln) and distribution of insurance products (EUR +8.5 mln). In the commercial banking area, positive contributions came from loan-related commissions (EUR +20.1 mln), ATM and credit card service commissions (EUR +8.3 mln), guarantee-related commissions (EUR +3.2 mln), and other fee and commission income (EUR +6.6 mln); Fees on current accounts (EUR -12.3 mln) declined, while commission income from current accounts on collection and payment services were broadly stable (EUR +0.2 mln).

On a like-for-like basis, the result for the fourth quarter of financial year 2025 increased compared with the previous quarter (+4.9%, equal to EUR +18.6 mln), both in the asset management/brokerage and advisory business (+7.0%, equal to EUR +13.4 mln) and in the commercial banking business (+2.7%, equal to EUR +5.2 mln).

Service/amounts	31 12 2025			31 12 2024 (d)	Chg. Y/Y (c) (d)		4°Q 2025*	3°Q 2025	Chg. Q/Q	
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)		Abs.	%			Abs.	%
Loans	302.5	32.3	270.2	250.1	20.1	8.0%	72.4	65.1	7.3	11.2%
Current accounts	208.4	5.0	203.5	215.8	(12.3)	-5.7%	46.3	52.0	(5.7)	-11.0%
Payment services	124.3	(4.0)	128.3	128.1	0.2	0.2%	39.2	30.4	8.8	28.9%
Debit cards and credit cards	90.7	3.8	87.0	78.7	8.3	10.5%	22.7	18.2	4.5	24.7%
Guarantees issued and received	35.5	0.6	34.9	31.7	3.2	10.1%	6.5	9.7	(3.2)	-33.0%
Other net fees and commissions	26.7	(27.6)	54.3	47.7	6.6	13.8%	10.5	16.9	(6.4)	-37.9%
Fees from commercial banking activities	788.2	10.1	778.1	752.1	26.0	3.5%	197.5	192.3	5.2	2.7%
Distribution and Portfolio management	611.3	63.9	547.4	474.6	72.8	15.3%	138.8	133.4	5.4	4.0%
Distribution of insurance products	237.2	20.5	216.8	208.3	8.5	4.1%	52.5	53.2	(0.7)	-1.3%
Financial Advisors	(74.3)	(8.3)	(65.9)	(63.0)	(2.9)	4.6%	(17.9)	(15.5)	(2.4)	15.5%
Placement of securities and currency	145.4	63.7	81.7	66.8	14.9	22.3%	24.0	12.6	11.4	90.5%
Other brokerage/management and advisory fees and commissions	79.6	51.7	27.9	26.5	1.4	5.3%	6.2	6.5	(0.3)	-4.6%
Fees from Brokerage/management and advisory activities	999.3	191.5	807.9	713.2	94.7	13.3%	203.6	190.2	13.4	7.0%
Income from insurance activities	4.8	4.8	(0.0)	-	-		(0.0)	-	-	
Net fees and commission income	1,792.3	206.3	1,586.0	1,465.3	120.7	8.2%	401.0	382.4	18.6	4.9%

* The Q4 2025 figures, for a like-for-like comparison with the previous quarter, are shown net of the Mediobanca Group.

For the breakdown of fee and commission income by operating segment, see Part C of the Notes to the Financial Statements.

Dividends, similar income and gains (losses) on investments amounted to EUR 241 mln. Net of the contribution from the Mediobanca Group, equal to EUR 141 mln, the aggregate amounted to EUR 100 mln, up 8.1% (EUR +7.5 mln) compared with the previous year, due to the higher contribution from the insurance companies. The result for the fourth quarter, amounting to EUR 39 mln, also increased compared with the previous quarter (EUR +20.2 mln), again due to the higher contribution from the insurance companies.

Net profit (loss) from trading, fair value measurement of assets/liabilities and gains on disposals/repurchases as at 31 December 2025 amounted to EUR 238 mln, EUR 40 mln of which attributable to the newly acquired Mediobanca Group. On a like-for-like basis, the aggregate recorded an increase compared with the previous year (EUR +82.0 mln). The trend in the fourth quarter of 2025, on the other hand, showed a decline compared with the previous quarter (EUR -19.3 mln). The analysis of the main aggregates shows the following:

- **Net profit/loss from trading** positive for **EUR 231 mln**. On a like-for-like basis, the item amounted to EUR 125 mln, compared with EUR 133 mln in the previous financial year, which also incorporated the positive effects arising from the early closure of certain hedge accounting relationships, as part of the strategy to stabilise net interest income. The contribution for the fourth quarter of 2025 amounted to EUR 30 mln, up from EUR 24 mln recorded in the previous quarter.
- The net result of other assets/liabilities measured at fair value through profit or loss amounted to **EUR -78 mln**. Excluding the contribution from the Mediobanca Group, negative for EUR -80 mln, the item amounted to EUR +2 mln; on a like-for-like basis, an increase was recorded compared with the previous year (EUR +10.8 mln). The contribution for the fourth quarter of 2025 is EUR -3 mln, compared to the result of EUR -1 mln in the previous quarter.
- **Gains from disposals/repurchases** (excluding loans to customers at amortised cost) positive for **EUR 85 mln**. Net of the contribution from the Mediobanca Group (equal to EUR +14 mln), the item amounted to EUR 71 mln, up EUR 79.8 mln compared with the previous year, benefiting in the current financial year from gains realised as part of strategies to optimise financial portfolios. The contribution for the fourth quarter of 2025 amounts to EUR +5 mln, compared to the result of EUR 28 mln in the previous quarter.

Items	31 12 2025			31 12 2024 (d)	Chg. Y/Y (c) (d)			Chg. Q/Q		
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)		Abs.	%	4°Q 2025*	3°Q 2025	Abs.	%
Financial assets held for trading	464.4	449.3	15.1	82.1	(67.0)	-81.6%	(19.6)	5.1	(24.7)	n.m.
Financial liabilities held for trading	2.5	0.8	1.7	(0.3)	2.0	n.m.	6.7	4.0	2.7	67.5%
Exchange rate effects	47.3	23.0	24.3	10.0	14.3	n.m.	0.2	7.2	(7.0)	-97.2%
Derivatives	(283.4)	(366.9)	83.5	41.4	42.1	n.m.	42.7	8.0	34.7	n.m.
Trading results	230.8	106.2	124.6	133.2	(8.6)	-6.5%	30.0	24.3	5.7	23.5%
Net profit (loss) from other financial assets and liabilities measured at fair value through profit or loss	(77.8)	(79.5)	1.7	(9.1)	10.8	n.m.	(2.6)	(0.7)	(1.9)	n.m.
Disposal / repurchase (excluding loans to customers measured at amortised cost)	84.6	13.7	70.9	(8.9)	79.8	n.m.	4.9	28.0	(23.1)	-82.5%
Net profit (loss) from trading, the fair value measurement of assets/liabilities and Net gains (losses) on disposals/repurchases	237.6	40.4	197.2	115.2	82.0	71.2%	32.3	51.6	(19.3)	-37.4%

* The Q4 2025 figures, for a like-for-like comparison with the previous quarter, are shown net of the Mediobanca Group.

The following items are also included in Revenues:

- **Net profit (loss) from hedging** amounted to **EUR +8 mln**; net of the contribution from the Mediobanca Group, equal to EUR +8.8 mln, the result was in line with that achieved in the previous year (EUR +0.5 mln). On a like-for-like basis, the contribution for the fourth quarter of 2025 was substantially nil, in line with the previous quarter.
- **Other operating income/expenses** amounting to **EUR +23 mln**, with a like-for-like contribution of EUR +9 mln, compared with the EUR +6 mln achieved in the previous financial year. The contribution for the fourth quarter of 2025, net of the component attributable to the Mediobanca Group, amounted to EUR +3 mln, in line with the previous quarter.

Operating expenses: operating expenses

As at 31 December 2025, **operating expenses** amounted to EUR 2,304 mln; net of the component relating to the Mediobanca Group, the aggregate amounted to EUR 1,885 mln, up compared with 31 December 2024 (+0.8%, equal to EUR 15.8 mln), mainly due to the effects of the renewal of the National Collective Labour Agreement (CCNL) for the banking sector on personnel expenses, partially offset by the efficient management of Other administrative expenses. On a like-for-like basis, the contribution for the fourth quarter of 2025 amounted to EUR 474 mln, compared with EUR 468 mln in the previous quarter. A closer look at the individual aggregates reveals the following:

- **Administrative expenses** amounted to **EUR 2,116 mln** and, on a like-for-like basis (EUR 1,727 mln), were higher than as at 31 December 2024 (+1.7%), with the contribution for the fourth quarter of 2025 slightly up compared with the previous quarter (+1.0%). A breakdown of the aggregate shows:
 - **Personnel expenses** amounted to **EUR 1,521 mln**, including the contribution of the Mediobanca Group amounting to EUR 240 mln. On a consistent perimeter, the aggregate showed an increase compared with the previous year (+4.3%), mainly due to the expenses connected with the second and third salary increases provided for by the aforementioned renewal of the National Collective Bargaining Agreement (CCNL) for the banking sector (effective from 1 September 2024 and 1 June 2025, respectively) and higher accruals for the variable component of remuneration, in line with the 2024-2028 Strategic Plan. The result for the fourth quarter, amounting to EUR 321 mln on a like-for-like basis, was broadly stable compared with the previous quarter (+0.3%).
 - **Other administrative expenses** amounted to EUR 596 mln, including EUR 150 mln attributable to the Mediobanca Group. On a like-for-like basis, a reduction was observed compared with 31 December 2024 (-5.0%), also thanks to the ongoing implementation of a rigorous expenditure governance process and a focus on cost optimisation actions. The contribution for the fourth quarter of 2025 amounted to EUR 113 mln on a like-for-like basis, compared with EUR 109 mln in the previous quarter.
- **Net value adjustments to property, plant and equipment and intangible assets** amounted to EUR 187 mln as at 31 December 2025. Excluding the contribution attributable to the Mediobanca Group, the aggregate amounted to EUR 158 mln, down on the previous year (-7.6%). the contribution for the fourth quarter of 2025, on a like-for-like basis, amounted to EUR 40 mln, compared with EUR 39 mln in the previous quarter.

Type of transaction	31 12 2025			31 12 2024 (d)	Chg. Y/Y (c) (d)		4°Q 2025*	3°Q 2025	Chg. Q/Q	
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)		Abs.	%			Abs.	%
Wages and salaries	(1,097.9)	(192.1)	(905.8)	(871.1)	(34.7)	4.0%	(226.4)	(228.8)	2.4	-1.0%
Social-welfare charges	(281.3)	(34.7)	(246.6)	(235.2)	(11.4)	4.8%	(60.9)	(63.4)	2.5	-3.9%
Other personnel expenses	(141.6)	(12.7)	(128.8)	(122.5)	(6.3)	5.1%	(33.6)	(27.7)	(5.9)	21.3%
Personnel expenses	(1,520.8)	(239.5)	(1,281.2)	(1,228.8)	(52.4)	4.3%	(320.9)	(319.9)	(1.0)	0.3%
Taxes	(298.7)	(52.6)	(246.1)	(226.2)	(19.9)	8.8%	(71.6)	(56.9)	(14.7)	25.8%
Furnishing, real estate and security expenses	(83.0)	(4.9)	(78.1)	(79.7)	1.6	-2.0%	(17.9)	(23.0)	5.1	-22.2%
General operating expenses	(176.4)	(17.3)	(159.1)	(166.7)	7.6	-4.6%	(39.8)	(39.6)	(0.2)	0.5%
Information technology expenses	(157.9)	(41.3)	(116.6)	(119.5)	2.9	-2.4%	(27.7)	(32.7)	5.0	-15.3%
Legal and professional expenses	(117.5)	(61.4)	(56.1)	(63.3)	7.2	-11.4%	(15.5)	(12.2)	(3.3)	27.0%
Indirect personnel costs	(6.2)	(0.7)	(5.5)	(5.2)	(0.3)	5.8%	(1.6)	(1.0)	(0.6)	60.0%
Insurance	(16.4)	(1.1)	(15.3)	(16.3)	1.0	-6.1%	(4.0)	(4.1)	0.1	-2.4%
Advertising, sponsorship and promotions	(12.6)	(9.4)	(3.2)	(3.1)	(0.1)	3.2%	(0.9)	(0.8)	(0.1)	12.5%
Other	29.1	(18.7)	47.7	(12.2)	59.9	n.m.	54.0	3.8	50.2	n.m.
Expenses recovery	244.0	57.1	186.9	223.3	(36.4)	-16.3%	12.4	57.1	(44.7)	-78.3%
Other administrative expenses	(595.7)	(150.3)	(445.5)	(469.0)	23.5	-5.0%	(112.6)	(109.4)	(3.2)	2.9%
Property, plant and equipment	(112.2)	(19.6)	(92.6)	(103.3)	10.7	-10.4%	(23.1)	(23.3)	0.2	-0.9%
Intangible assets	(75.2)	(9.6)	(65.6)	(68.0)	2.4	-3.5%	(17.1)	(15.5)	(1.6)	10.3%
Net value adjustments to property, plant and equipment and intangible assets	(187.4)	(29.2)	(158.2)	(171.3)	13.1	-7.6%	(40.2)	(38.8)	(1.4)	3.6%
Operating expenses	(2,303.9)	(419.0)	(1,884.9)	(1,869.1)	(15.8)	0.8%	(473.7)	(468.1)	(5.5)	1.2%

* The Q4 2025 figures, for a like-for-like comparison with the previous quarter, are shown net of the Mediobanca Group.

As a result of the trends described above, the Group's **Gross Operating Result** amounted to **EUR 2,653 mln**. Excluding the contribution attributable to the Mediobanca Group, Gross Operating Result amounted to EUR 2,189 mln, up compared with EUR 2,165 mln in the previous year. On a like-for-like basis, the contribution for the fourth quarter of 2025 amounted to EUR 546 mln, up compared with EUR 532 mln in the previous quarter.

Cost of customer credit

As at 31 December 2025, the Group recognised a cost of customer credit of EUR 399 mln. Net of the component attributable to the Mediobanca Group, equal to EUR 70.1 mln, the cost of customer credit amounted to EUR 329 mln and was down compared with the EUR 410 mln recorded in the previous year, mainly due to lower flows of transfers from performing loans to non-performing loans. On a like-for-like basis, the cost of customer credit for the fourth quarter of 2025, amounting to EUR 75 mln, decreased compared with EUR 79 mln in the previous quarter, benefiting, in particular, from higher flows of returns to performing status from non-performing loans, collections on the non-performing portfolio and a general improvement in the quality of the performing portfolio.

Lastly, the Mediobanca Group's value adjustments reflect the effects of the fair value adjustment of credit positions recognised as part of the accounting for the acquisition through the "Purchase Price Allocation" required by IFRS 3. In addition, the reinstatement of the Expected Credit Loss on the Mediobanca Group's performing exposures for EUR 430.6 mln and on securities measured at amortised cost for EUR 1.2 mln, whose loss provisions were written off as part of the aforementioned IFRS 3 process, was recognised under "Net P&L effects of Purchase Price Allocation", as it is related to the acquisition of the Mediobanca Group.

As at 31 December 2025, the **Provisioning Rate**, expressed as the ratio between the annualised cost of customer credit and the sum, net of the contribution from the Mediobanca Group, of Loans to customers and the value of Securities arising from the sale/securitisation of non-performing loans, shows an improving trend, standing at **40 bps** (42 bps as at 30 September 2025 and 53 bps as at 31 December 2024).

Items	31 12 2025			31 12 2024 (d)	Chg. Y/Y (c) (d)				Chg. Q/Q	
	Montepaschi Group (a))	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)		Abs.	%	4°Q 2025*	3°Q 2025	Abs.	%
Loans to customers measured at amortised cost	(413.9)	(85.7)	(328.2)	(403.1)	74.9	-18.6%	(90.8)	(71.3)	(19.5)	27.3%
Modification gains/(losses)	(4.6)	0.0	(4.6)	(10.0)	5.4	-54.0%	0.9	(0.9)	1.8	n.m.
Gains/(losses) on disposal/ repurchase of loans to customers measured at amortised cost	17.3	16.0	1.3	0.5	0.8	n.m.	0.6	0.7	(0.1)	-14.3%
Net change of Loans to customers mandatorily measured at fair value	0.3	0.8	(0.5)	(1.3)	0.8	-61.5%	(1.0)	0.4	(1.4)	n.m.
Net provisions for risks and charges on commitments and guarantees issued	1.9	(1.2)	3.1	4.4	(1.3)	-29.5%	15.6	(8.0)	23.6	n.m.
Cost of customer credit	(399.0)	(70.1)	(328.9)	(409.5)	80.6	-19.7%	(74.7)	(79.1)	4.4	-5.6%

* The Q4 2025 figures, for a like-for-like comparison with the previous quarter, are shown net of the Mediobanca Group.

The Group's **net operating income** as at 31 December 2025 amounted to **EUR 2,252 mln**. Net of the contribution attributable to the Mediobanca Group, net operating income amounted to EUR 1,860 mln and was up by 6.4% compared with the previous year. The contribution for the fourth quarter of 2025 amounted to EUR 472 mln, up compared with the result of EUR 453 mln in the previous quarter.

Non-operating income, tax and net profit (loss) for the year

The **Net profit (loss) for the year** included the following items:

- **Other net provisions for risks and charges** amounted to **EUR -22 mln** as at 31 December 2025. On a like-for-like basis, amounting to EUR -18 mln, the aggregate was lower than the EUR -68 mln recognised in the previous year. In the fourth quarter of 2025, on a like-for-like basis, net releases of EUR 10 mln were recorded, compared with net provisions of EUR -2 mln in the previous quarter.
- **Other gains (losses) on investments**, with a nil result in all four quarters of 2025, compared with the result of EUR -1 mln as at 31 December 2024.
- **Restructuring costs/One-off costs** amounting to **EUR -28 mln**, compared with EUR -72 mln in 2024. These charges include, in particular, the effect of the discounting of expenses related to departures through voluntary redundancy

schemes or access to the Solidarity Fund, the impact arising from the valuation of the subsidiary MP Banque in accordance with IFRS 5 and charges related to project initiatives connected with the Industrial Plan. The contribution for the quarter amounted to EUR -8 mln, compared with EUR -5 mln in the previous quarter.

- **Costs of extraordinary operations** amounting to **EUR -40 mln**, including the ancillary costs of the PEO for the component not charged to equity and other charges, recorded both at Banca MPS and at Mediobanca, arising from the extraordinary transaction.
- **Risks and charges associated with SRF, DGS and similar schemes** amounting to EUR -10 mln (EUR -8 mln on a like-for-like basis), recognised in the fourth quarter, relating to the FITD (Fondo Italiano Tutela Depositi) for EUR -7.6 mln and to the insurance guarantee fund for the life business for EUR -2.3 mln. In the previous financial year, contributions of EUR -75 mln recognised to the deposit guarantee scheme for the Group's Italian banks (DGS) and EUR -2 mln relating to the estimated share of the contribution payable to the insurance guarantee fund for the life business incurred by the Group's distributing companies were recognised.
- **DTA Fee** amounting to EUR -57 mln, compared with the EUR -61 mln recorded in the previous year; the contribution for the fourth quarter of 2025, equal to EUR -14 mln, was in line with the previous quarter. The amount, determined according to the criteria set forth in Italian Law Decree 59/2016, converted into Italian Law no. 119 of 30 June 2016, represents the fee as at 31 December 2025 on DTA (*Deferred Tax Assets*) that can be converted into a tax credit.
- **Net gains (losses) on property, plant and equipment and intangible assets measured at fair value**, amounting to **EUR -24 mln**, including the portion attributable to the Mediobanca Group of EUR -1 mln. On a like-for-like basis, the result, equal to EUR -22 mln (recognised mainly in the fourth quarter), reflects the semi-annual update of property valuations and compares with EUR -27 mln in the previous year.
- **Gains (losses) on disposals of investments** amounted to **EUR +5 mln**, recognised in the fourth quarter of 2025, and compare with EUR +4 mln in the previous year.

As a result of the dynamics described above, the Group's **profit for the year before tax** amounted to **EUR 2,076 mln**. Net of the contribution attributable to the Mediobanca Group, profit for the year before tax amounted to EUR 1,700 mln, up 17.7% on EUR 1,445 mln recorded in 2024. On a like-for-like basis, the result for the fourth quarter of 2025 amounted to EUR 412 mln, compared with EUR 431 mln recorded in the previous quarter.

Income taxes for the year recorded a positive contribution of **EUR 961 mln**. Net of the contribution attributable to the Mediobanca Group (EUR -88 mln), the contribution for the year ended 31 December 2025 amounted to EUR +1,049 mln, compared with EUR +506 mln in 2024. The change is mainly attributable to the full revaluation of DTAs previously not recognised in the financial statements, driven by improved earnings prospects following the acquisition of the Mediobanca Group, net of taxation relating to the year's profit or loss.

Following the dynamics described above, **Profit pre-PPA for the year attributable to the Parent Company** amounted to **EUR 3,036 mln** as at ended 31 December 2025. Net of the contribution attributable to the Mediobanca Group (amounting to EUR +286 mln), the **Profit pre-PPA for the year attributable to the Parent Company** amounted to EUR 2,750 mln, up on the profit of EUR 1,951 mln in the previous year.

Taking into account the net effects of the Purchase Price Allocation, equal to EUR -321 mln, the **Parent Company's Profit** for the year amounted to EUR 2,716 mln. Profit for the fourth quarter of 2025, on a consistent perimeter, amounted to EUR 1,384 mln, compared with EUR 474 mln in the previous quarter.

In compliance with Consob's instructions, following is a statement of the reconciliation of the Shareholders' equity and Net profit (loss) for the year of the Parent Company with the consolidated items:

Reconciliation between Parent Company and Consolidated Net Equity and Profit (Loss) for the year		
	Shareholders' equity	Net profit (loss) for the year
Parent Company's net equity	28,022.1	3,104.8
<i>of which Parent Company's valuation reserves</i>	38.2	-
Impact of line-by-line consolidation of subsidiaries	(490.4)	(27.7)
Impact of consolidation of jointly controlled entities and associates	209.3	86.8
Reversal of dividends from subsidiaries	-	(444.5)
Reversal of written-down equity investments	192.0	-
Other adjustments	7.7	(3.6)
Subsidiaries and associates' valuation reserves	20.6	-
Consolidated balance	27,961.2	2,715.9
<i>of which valuation reserves</i>	58.8	

Reclassified balance sheet

The following are provided: (i) the Reclassified balance sheet as at 31 December 2025 compared with the balances resulting from the financial statements as at 31 December 2024 and (ii) the statement of its quarterly evolution starting from the first quarter of the previous year.

As already mentioned, the comments on the annual trend refer to the balance sheet components net of the Mediobanca Group's figures, to allow a like-for-like comparison, whereas the quarterly trend compared to 30 September 2025, already including the balances attributable to the Mediobanca Group, is presented on the new scope of consolidation. In any case, in order to enhance understanding of the disclosure, the tables highlight the main aggregates relating to the acquired Group and the consolidated figure inclusive of these aggregates.

Reclassified Consolidated Balance Sheet						
Assets	31 12 2025			31 12 2024 (d)	Chg. Y/Y (c) (d)	
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)		Abs.	%
Cash and cash equivalents	15,472.1	1,351.8	14,120.3	14,029.9	90.4	0.6%
Loans to central banks	1,094.2	197.2	897.0	565.5	331.5	58.6%
Loans to banks	7,120.3	5,268.1	1,852.2	2,068.3	(216.1)	-10.4%
Loans to customers	142,842.3	61,312.0	81,530.3	77,309.6	4,220.7	5.5%
Securities assets	46,543.0	28,058.7	18,484.3	17,447.4	1,036.9	5.9%
Derivatives	6,059.6	2,637.2	3,422.4	2,406.4	1,016.0	42.2%
Equity investments	7,829.0	7,109.2	719.8	672.3	47.5	7.1%
Property, plant and equipment/Intangible assets	6,637.5	4,396.4	2,241.1	2,297.7	(56.6)	-2.5%
<i>of which: goodwill</i>	2,961.3	2,953.4	7.9	7.9	0.0	0.6%
Tax assets	4,356.5	581.3	3,775.2	2,538.0	1,237.2	48.7%
Other assets	3,686.0	1,390.1	2,295.9	3,266.6	(970.7)	-29.7%
Total assets	241,640.5	112,302.0	129,338.5	122,601.7	6,736.8	5.5%
Liabilities	31 12 2025			31 12 2024 (d)	Chg. Y/Y (c) (d)	
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)		Abs.	%
Direct funding	166,340.8	68,818.8	97,522.0	93,971.9	3,550.1	3.8%
a) Due to customers	121,164.2	35,111.8	86,052.4	83,544.3	2,508.1	3.0%
b) Securities issued	45,176.6	33,707.0	11,469.6	10,427.6	1,042.0	10.0%
Due to central banks	10,029.9	1,020.1	9,009.8	8,510.9	498.9	5.9%
Due to banks	16,252.9	13,685.3	2,567.6	1,301.0	1,266.6	97.4%
On-balance-sheet financial liabilities held for trading	6,187.8	4,764.6	1,423.2	1,617.9	(194.7)	-12.0%
Derivatives	5,910.1	4,238.4	1,671.7	1,346.2	325.5	24.2%
Provisions for specific use	1,097.3	152.8	944.5	1,006.7	(62.2)	-6.2%
a) Provision for staff severance indemnities	88.4	17.9	70.5	72.4	(1.9)	-2.6%
b) Provision related to guarantees and other commitments given	166.9	20.2	146.7	149.9	(3.2)	-2.1%
c) Pension and other post-retirement benefit obligations	3.2	0.2	3.0	3.3	(0.3)	-8.5%
d) Other provisions	838.8	114.6	724.2	781.1	(56.9)	-7.3%
Tax liabilities	1,166.3	1,138.2	28.1	6.6	21.5	n.m.
Other liabilities	4,445.7	1,498.0	2,947.7	3,191.2	(243.5)	-7.6%
Group net equity	27,961.2	14,737.4	13,223.8	11,649.0	1,574.8	13.5%
a) Valuation reserves	58.8	17.7	41.1	60.4	(19.3)	-32.0%
d) Reserves	4,063.7	1,091.4	2,972.3	2,184.3	788.0	36.1%
e) Share premium	3,146.6	3,146.6	0.0	-	0.0	n.m.
f) Share capital	17,978.2	10,524.7	7,453.5	7,453.5	(0.0)	0.0%
g) Treasury shares (-)	(1.8)	(1.8)	-	-	-	n.m.
h) Net profit (loss) for the year	2,715.7	(41.2)	2,756.9	1,950.8	806.1	41.3%
Non-controlling interests	2,248.5	2,248.4	0.1	0.3	(0.2)	-53.9%
Total Liabilities and Shareholders' Equity	241,640.5	112,302.0	129,338.5	122,601.7	6,736.8	5.5%

In the column "of which: Mediobanca Group (b)", the contribution to the various asset and liability items of the Mediobanca Group and the effects arising from the acquisition (the provisional PPA and the resulting preliminary goodwill, as well as the cash consideration of the OPAS on assets and the increase in Share Capital, Share premium reserve and Other reserves within the Group Shareholders' equity in support of the OPAS, and lastly the recognition of equity attributable to non-controlling interests) are shown.

Reclassified Consolidated Balance Sheet - Quarterly Trend											
	31 12 2025										
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)	Consolidated figure net of Mediobanca Group	30 09 2025	30 06 2025	31 03 2025	31 12 2024	30 09 2024	30 06 2024	31 03 2024
Cash and cash equivalents	15,472.1	1,351.8	14,120.3	14,820.1	14,820.1	12,618.3	13,128.4	14,029.9	13,734.3	17,692.0	16,003.5
Loans to central banks	1,094.2	197.2	897.0	1,114.4	1,114.4	643.9	660.0	565.5	588.8	566.4	832.4
Loans to banks	7,120.3	5,268.1	1,852.2	6,746.0	6,746.0	1,716.3	1,920.6	2,068.3	2,264.8	2,670.9	2,313.0
Loans to customers	142,842.3	61,312.0	81,530.3	140,678.5	140,678.5	80,530.0	78,630.9	77,309.6	76,649.0	77,974.7	78,422.9
Securities assets	46,543.0	28,058.7	18,484.3	44,598.2	44,598.2	18,966.7	19,023.8	17,447.4	17,800.6	18,398.6	18,175.7
Derivatives	6,059.6	2,637.2	3,422.4	6,209.5	6,209.5	2,729.0	2,613.2	2,406.4	2,578.3	2,909.0	2,734.6
Equity investments	7,829.0	7,109.2	719.8	7,601.4	7,601.4	673.6	677.0	672.3	744.3	708.1	739.1
Property, plant and equipment/Intangible assets	6,637.5	4,396.4	2,241.1	7,777.8	7,777.8	2,251.1	2,274.1	2,297.7	2,330.7	2,356.0	2,423.1
of which: goodwill	2,961.3	2,953.4	7.9	4,216.6	4,216.6	7.9	7.9	7.9	7.9	7.9	7.9
Tax assets	4,356.5	581.3	3,775.2	3,400.7	3,400.7	2,660.7	2,584.0	2,538.0	2,517.5	2,523.8	2,153.0
Other assets	3,686.0	1,390.1	2,295.9	5,138.2	5,138.2	2,784.5	3,067.7	3,266.6	3,270.6	2,901.0	2,978.0
Total assets	241,640.5	112,302.0	129,338.5	238,084.8	238,084.8	125,574.1	124,579.7	122,601.7	122,478.9	128,700.5	126,775.3

Liabilities	31 12 2025										
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)	Consolidated figure net of Mediobanca Group	30 09 2025	30 06 2025	31 03 2025	31 12 2024	30 09 2024	30 06 2024	31 03 2024
Direct funding	166,340.8	68,818.8	97,522.0	165,234.6	165,234.6	94,508.6	94,594.2	93,971.9	91,249.4	96,521.6	92,718.1
a) Due to customers	121,164.2	35,111.8	86,052.4	121,259.3	121,259.3	84,228.4	84,887.3	83,544.3	82,159.5	86,180.1	83,204.1
b) Securities issued	45,176.6	33,707.0	11,469.6	43,975.3	43,975.3	10,280.2	9,706.9	10,427.6	9,089.9	10,341.5	9,514.0
Due to central banks	10,029.9	1,020.1	9,009.8	8,574.5	8,574.5	8,008.5	8,010.2	8,510.9	9,016.4	12,009.7	11,629.3
Due to banks	16,252.9	13,685.3	2,567.6	14,291.8	14,291.8	2,250.4	1,854.4	1,301.0	1,226.5	1,114.1	1,304.4
On-balance-sheet financial liabilities held for trading	6,187.8	4,764.6	1,423.2	6,851.0	6,851.0	2,234.0	1,676.3	1,617.9	3,216.5	2,932.7	5,164.3
Derivatives	5,910.1	4,238.4	1,671.7	6,452.2	6,452.2	1,382.4	1,370.6	1,346.2	1,341.0	1,353.6	1,396.7
Provisions for specific use	1,097.3	152.8	944.5	1,107.5	1,107.5	972.2	1,014.1	1,006.7	945.3	934.8	1,012.1
a) Provision for staff severance indemnities	88.4	17.9	70.5	90.9	90.9	72.0	72.5	72.4	70.1	70.1	72.0
b) Provision related to guarantees and other commitments given	166.9	20.2	146.7	181.4	181.4	154.4	149.3	149.9	131.4	129.5	138.0
c) Pension and other post-retirement benefit obligations	3.2	0.2	3.0	3.4	3.4	3.2	3.2	3.3	3.1	3.2	3.3
d) Other provisions	838.8	114.6	724.2	831.8	831.8	742.6	789.1	781.1	740.7	732.0	798.8
Tax liabilities	1,166.3	1,138.2	28.1	927.0	927.0	14.5	30.7	6.6	6.9	5.9	9.9
Other liabilities	4,445.7	1,498.0	2,947.7	5,586.1	5,586.1	4,733.0	3,980.3	3,191.2	4,211.6	3,032.7	3,232.8
Group net equity	27,961.2	14,737.4	13,223.8	26,742.2	26,742.2	11,470.3	12,048.6	11,649.0	11,264.9	10,795.0	10,307.1
a) Valuation reserves	58.8	17.7	41.1	56.7	56.7	66.9	46.9	60.4	64.5	1.3	25.8
d) Reserves	4,063.7	1,091.4	2,972.3	4,195.2	4,195.2	3,057.5	4,135.1	2,184.3	2,181.0	2,181.0	2,495.1
e) Share premium	3,146.6	3,146.6	0.0	3,147.5	3,147.5	-	-	-	-	-	-
f) Share capital	17,978.2	10,524.7	7,453.5	17,978.2	17,978.2	7,453.5	7,453.5	7,453.5	7,453.5	7,453.5	7,453.5
g) Treasury shares (-)	(1.8)	(1.8)	-	(1.8)	(1.8)	-	-	-	-	-	-
h) Net profit (loss) for the year	2,715.7	(41.2)	2,756.9	1,366.4	1,366.4	892.4	413.1	1,950.8	1,565.9	1,159.2	332.7
Non-controlling interests	2,248.5	2,248.4	0.1	2,317.9	2,317.9	0.2	0.3	0.3	0.4	0.4	0.6
Total Liabilities and Shareholders' Equity	241,640.5	112,302.0	129,338.5	238,084.8	238,084.8	125,574.1	124,579.7	122,601.7	122,478.9	128,700.5	126,775.3

In the column "of which: Mediobanca Group (b)", the contribution to the various asset and liability items of the Mediobanca Group and the effects arising from the acquisition (the provisional PPA and the resulting preliminary goodwill, as well as the cash consideration of the OPAS on assets and the increase in Share Capital, Share premium reserve and Other reserves within the Group Shareholders' equity in support of the OPAS, and lastly the recognition of equity attributable to non-controlling interests) are shown.

Customer funding

As at 31 December 2025, the Group's **Total funding** volumes, including the contribution attributable to the Mediobanca Group, amounted to EUR 361 bn, up by EUR 3.4 bn compared with 30 September 2025 on the same scope of consolidation, driven by both Direct funding and Indirect funding.

Net of the Mediobanca Group's contribution (EUR 153.8 bn), the aggregate amounted to EUR 207 bn, up compared with 31 December 2024 (EUR +10.0 bn) thanks to growth, also in this case, in both Direct funding (EUR +3.6 bn) and Indirect funding (EUR +6.4 bn).

Background

During 2025, bank direct funding showed progressive growth, accelerating in the latter part of the year, with a year-on-year increase of +6.5% in November. This performance was mainly attributable to the growth in resident deposits (Deposits net of those with central counterparties), which increased by around EUR 43.7 bn over twelve months (+2.4% y/y), and to the continued recourse to bond funding, which showed a similar trend (+2.3% y/y). These factors were accompanied by an increase in net liabilities to non-residents; while recourse to funding lines with the Eurosystem remained stable and at a low level, and is now at the lowest levels of recent years.

The analysis by technical form highlights a reallocation of savings towards instruments with higher liquidity. Deposit growth remained positive, buoyed mainly by the demand component, while more remunerative forms were affected by the reduction in market yields: in particular, current account balances increased (EUR +57.6 bn y/y), equal to +4.3% in November compared with the same month of 2024, while time deposits declined (-10.1% y/y).

By customer sector, the growth in direct funding was supported by deposits from the productive sector (non-financial corporations and producer households), which increased volumes by +3.6% (with a net change of EUR +19 bn y/y) from November 2024. It is worth noting the continuous increase in producer household balances, which since the start of the year has reached growth of +7.7%. Deposits from consumer households showed a more limited increase (+0.6%, equal to EUR +6.7 bn and entirely driven by demand deposits) compared with the same period of 2024.

The cost of Direct funding, while unchanged over the last three months, declined over the year. Specifically, in November, the interest rate on deposits from non-financial corporations and households stood at around 0.63%, down by 30 basis points compared with November 2024: The rate on current accounts, which showed no significant changes over the last three months, recorded an overall decrease of 19 bps over twelve months, standing at just over 0.28%. Conversely, the rate on time deposits showed a continuous contraction in line with the reduction in market yields, decreasing by almost 80 bps y/y to 2.50%. With regard to bond funding, the average rate on outstanding balances remained essentially stable compared with the trend over the year as a whole, standing at 2.85% in November.

On the asset management market, the overall balance of net inflows in the November data recorded a positive figure of EUR 28.8 bn. Open-ended funds recorded positive net inflows of EUR 14.4 bn and retail portfolio management showed positive net inflows of EUR 6.4 bn. By category, savers mainly directed their choices towards bond funds (EUR +20.6 bn of net inflows from January to November) and money market funds (EUR +6.4 bn over the same period); while the balanced (EUR -9.8 bn), flexible (EUR -5 bn), and equity (EUR -3 bn) fund categories showed a phase of disinvestment. Total assets under management at the end of November stood at EUR 2,621 bn, approximately +5% compared with 2024. In the life insurance market, from the start of the year to November, new business amounted to EUR 87.2 bn, compared with EUR 80.5 bn in the same period of the previous year, i.e., an increase of around 8.3%. In the banking and postal branch distribution channel, in November 2025 placements increased for hybrid products (+43.2% y/y), traditional unit-linked products (+32.2% y/y) and, to a lesser extent, traditional products (+1% y/y). With regard to life insurance product distribution channels, in November 2025, Financial Advisors intermediated a business volume up by 12.7% y/y, banking and postal branches recorded an increase of 7.9% y/y, and the agency channel stood at 2.8% y/y.

Customer Funding									
	31 12 2025			30 09 2025	31 12 2024	Chg. Q/Q (a) (d)		Chg. Y/Y (c) (e)	
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)			Abs.	%	Abs.	%
Direct funding	166,340.8	68,818.8	97,522.0	165,234.6	93,971.9	1,106.2	0.7%	3,550.2	3.8%
Indirect funding	194,644.7	84,999.0	109,645.7	192,389.2	103,237.8	2,255.6	1.2%	6,407.9	6.2%
Total funding	360,985.5	153,817.8	207,167.7	357,623.8	197,209.7	3,361.8	0.9%	9,958.1	5.0%

The volumes of Direct funding of the Group, including the contribution attributable to the Mediobanca Group, amounted to EUR 166.3 bn, up by EUR 1.1 bn compared with 30 September 2025. The growth mainly concerned current accounts (EUR +1.5 bn) and bonds (EUR +1.2 bn), while repos fell (EUR -1.1 bn) and, to a lesser extent, time deposits (EUR -0.3 bn) and other forms of direct funding (EUR -0.1 bn).

The aggregate, net of the Mediobanca Group's contribution (EUR 68.8 bn), was also up compared with 31 December 2024 (EUR +3.6 bn). The increase was driven by current accounts (EUR +3.6 bn) and bonds (EUR +1.0 bn), while repos declined (EUR -1.0 bn) and, to a lesser extent, time deposits (EUR -0.2 bn); the other forms of direct funding remained broadly stable.

Direct funding									
Type of transaction	31 12 2025			30 09 2025	31 12 2024	Chg. Q/Q (a) (d)		Chg. Y/Y (c) (e)	
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)			Abs.	%	Abs.	%
Current accounts	92,754.0	21,937.6	70,816.4	91,299.4	67,180.3	1,454.6	1.6%	3,636.1	5.4%
Time deposits	16,703.4	9,763.8	6,939.6	16,996.3	7,151.0	(292.9)	-1.7%	(211.4)	-3.0%
Reverse repurchase agreements	8,727.7	2,880.9	5,846.8	9,857.3	6,800.1	(1,129.6)	-11.5%	(953.3)	-14.0%
Bonds	44,169.8	32,700.3	11,469.5	42,980.6	10,427.6	1,189.2	2.8%	1,041.9	10.0%
Other types of direct funding	3,985.9	1,536.2	2,449.7	4,101.0	2,412.9	(115.1)	-2.8%	36.8	1.5%
Total	166,340.8	68,818.8	97,522.0	165,234.6	93,971.9	1,106.2	0.7%	3,550.2	3.8%

As at 31 December 2025, the Indirect funding of the Group amounted to EUR 194.6 bn, including the contribution attributable to the Mediobanca Group, up by EUR 2.3 bn compared with 30 September 2025 on a consistent perimeter, with an increase both in assets under management (AUM) (EUR +2.0 bn) and assets under custody (AUC) (EUR +0.3 bn); the positive trend was driven by positive net inflows and market effect.

Net of the Mediobanca Group's contribution (EUR 85.0 bn), the aggregate amounted to EUR 109.6 bn, up by EUR 6.4 bn compared with 31 December 2024, driven by both Assets under management (EUR +3.4 bn) and Assets under custody (EUR +3.0 bn). Both components also benefited from market effects and positive net inflows.

Indirect Funding									
	31 12 2025			30 09 2025 (d)	31 12 2024 (e)	Chg. Q/Q (a) (d)		Chg. Y/Y (c) (e)	
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)			Abs.	%	Abs.	%
Assets under management	117,276.6	53,929.2	63,347.4	115,293.7	59,924.0	1,982.9	1.7%	3,423.4	5.7%
<i>Funds</i>	65,870.9	32,929.1	32,941.8	63,861.5	29,580.7	2,009.4	3.1%	3,361.1	11.4%
<i>Individual Portfolio under Management</i>	18,278.4	12,669.1	5,609.3	18,392.8	5,376.7	(114.4)	-0.6%	232.6	4.3%
<i>Bancassurance</i>	33,127.3	8,331.0	24,796.3	33,039.4	24,966.6	87.9	0.3%	(170.3)	-0.7%
Assets under custody	77,368.1	31,069.8	46,298.3	77,095.5	43,313.8	272.6	0.4%	2,984.5	6.9%
<i>Government securities</i>	28,547.5	7,900.0	20,647.5	27,420.0	19,843.9	1,127.5	4.1%	803.7	4.1%
<i>Others</i>	48,820.6	23,169.9	25,650.7	49,675.5	23,469.9	(854.9)	-1.7%	2,180.8	9.3%
Total funding	194,644.7	84,999.0	109,645.7	192,389.2	103,237.8	2,255.6	1.2%	6,407.9	6.2%

Loans to customers

As at 31 December 2025, Group **Loans to customers**, including Mediobanca's contribution, amounted to **EUR 142.8 bn**, up compared with 30 September 2025 (EUR +2.2 bn). The growth in mortgages (EUR +2.7 bn) and other loans (EUR +2.3 bn) was only partially offset by the decline in repurchase agreements (EUR -2.1 bn), current accounts (EUR -0.6 bn) and non-performing loans (EUR -0.2 bn).

Net of the contribution from the Mediobanca Group (equal to EUR 61.3 bn), the aggregate amounted to EUR 81.5 bn, up by EUR 4.2 bn compared to 31 December 2024, mainly as a result of the growth in mortgages (EUR +4.2 bn). Other loans (EUR +0.4 bn) and repos (EUR +0.2 bn) also increased, while current accounts (EUR -0.2 bn) and non-performing loans (EUR -0.3 bn) declined.

With regard to the specific support measures for the production system introduced in response to the COVID-19 pandemic, a total of EUR 11.7 bn in State-guaranteed loans have been disbursed since the start of the pandemic (under the so-called "Liquidity" Decree Law No. 23 of 8 April 2020), including EUR 0.2 bn disbursed by Mediobanca with guarantees provided exclusively by SACE, of which EUR 9.4 bn were guaranteed by the Central Guarantee Fund, EUR 2.2 bn by SACE (of which EUR 0.2 bn disbursed by Mediobanca) and approximately EUR 0.1 bn by ISMEA. As at 31 December 2025, the gross residual amount of the above loans was EUR 2.6 bn – almost entirely attributable to the Parent Company – of which EUR 0.3 bn classified as non-performing loans. The figure, net of the EUR 0.01 mln increase due to the acquisition of Mediobanca, decreased compared with EUR 4.8 bn as at 31 December 2024, mainly due to repayments made during the period.

Background

In the fourth quarter of 2025, the phase of gradual recovery in bank lending already underway since the second quarter of the year continued. Loans to the private sector¹⁶ showed progressive volume growth, with a **year-on-year increase of +2.1%**. In particular, lending to non-financial corporations, supported by a progressive recovery already underway since the second quarter, showed a change of **+1.8% y/y** in November. Household loans continued the expansionary trend that began in the early months of the year, accelerating in the final part of the period: overall in 2025, net flows amounted to EUR +15 bn, corresponding to a **year-on-year increase of +2.35%**.

The overall trend was supported by several factors. On the one hand, there was an expansion of lending, especially to service companies; on the other, an improvement in the property market, with a strengthening in the trend in mortgages for house purchase (+3.3% y/y). At the same time, the contraction in loans to the manufacturing sector eased; finally, there was a further, albeit marginal, increase in consumer credit, which continued to show sustained growth despite persistent stickiness in interest rates: the aggregate recorded an increase in excess of +4.4% y/y.

Based on the most recent information from the latest Bank of Italy Bank Lending Survey, conducted between September and early October, in the third quarter the lending standards and access conditions for bank credit for firms remained unchanged. Consistent indications also emerged from the fourth-quarter results of ISTAT's **business and consumer confidence survey**, according to which access conditions for bank credit did not, overall, record any significant changes.

In November, interest rates on outstanding loans to non-financial corporations stood at 3.89%, down by 106 bps compared with November 2024; those to households stood at 4.04% in November, limiting the decrease to 16 bps compared with the same month of 2024. The average rate on new lending to firms stood at 3.52% in November compared with 4.52% in the same month of 2024 (-100 bps y/y), although it showed a slight increase in recent months. On new lending to households, the rate on loans for house purchase remained essentially stable during 2025, standing at 3.3% in November (around +6 bps compared with November 2024); as did the rate on consumer credit, which stood at 8.47% (+2 bps compared with November of the previous year).

During 2025, credit quality did not show any particular tensions, with an NPL ratio of 2.22% (as at the third quarter of 2025), stable compared with end-2024 (2.31%).

Loans to customers

Type of transaction	31 12 2025			30 09 2025 (d)	31 12 2024 (e)	Chg. Q/Q (a) (d)		Chg. Y/Y (c) (e)	
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)			Abs.	%	Abs.	%
Current accounts	5,397.3	2,845.5	2,551.8	5,957.6	2,658.9	(560.3)	-9.4%	(107.1)	-4.0%
Mortgages	85,438.1	30,687.0	54,751.1	82,753.0	50,705.4	2,685.1	3.2%	4,045.7	8.0%
Other forms of lending	38,759.3	23,325.7	15,433.6	36,422.9	15,023.4	2,336.4	6.4%	410.2	2.7%
Repurchase agreements	11,295.9	4,101.1	7,194.8	13,397.6	7,035.2	(2,101.7)	-15.7%	159.6	2.3%
Non-performing loans	1,951.7	352.7	1,599.0	2,147.4	1,886.7	(195.7)	-9.1%	(287.7)	-15.2%
Total	142,842.3	61,312.0	81,530.3	140,678.5	77,309.6	2,163.8	1.5%	4,220.7	5.5%
Stage 1	129,081.7	58,328.9	70,752.8	126,444.3	65,222.1	2,637.4	2.1%	5,530.7	8.5%
Stage 2	10,941.2	1,892.2	9,049.0	11,184.4	10,058.6	(243.2)	-2.2%	(1,009.6)	-10.0%
Stage 3	2,043.7	445.1	1,598.6	2,252.0	1,885.4	(208.3)	-9.2%	(286.8)	-15.2%
Performing loans measured at fair value	774.4	645.8	128.6	795.7	141.3	(21.3)	-2.7%	(12.7)	-9.0%
Non-performing loans measured at fair value	1.3	-	1.3	2.1	2.2	(0.8)	-38.1%	(0.9)	-40.9%

¹⁶ adjusted for sold and written-off exposures

Loans to customers measured at amortised cost	31 12 2025				31 12 2025				31 12 2025			
	Montepaschi Group				Of which: Mediobanca Group				net of Mediobanca Group			
	Stage 1	Stage 2	Total performing loans to customers measured at amortised cost	Total loans to customers measured at amortised cost	Stage 1	Stage 2	Total performing loans to customers measured at amortised cost	Total loans to customers measured at amortised cost	Stage 1	Stage 2	Total performing loans to customers measured at amortised cost	Total loans to customers measured at amortised cost
Gross exposure	129,562.4	11,561.0	141,123.4	145,693.5	58,633.6	2,178.0	60,811.6	62,113.5	70,928.8	9,383.0	80,311.8	83,580.0
Adjustments	480.7	619.8	1,100.5	3,478.7	304.7	285.8	590.5	1,300.9	176.0	334.0	510.0	2,177.8
Net exposure	129,081.7	10,941.2	140,022.9	142,214.8	58,328.9	1,892.2	60,221.1	60,812.6	70,752.8	9,049.0	79,801.8	81,402.2
Coverage ratio	0.4%	5.4%	0.8%	2.4%	0.5%	13.1%	1.0%	2.1%	0.2%	3.6%	0.6%	2.6%
% on Loans to customers measured at amortised cost	90.8%	7.7%	0.0%	100.0%	95.9%	3.1%	0.0%	100.0%	86.9%	11.1%	0.0%	100.0%

Loans to customers measured at amortised cost	31 12 2025				30 09 2025				31 12 2024				Chg. Q/Q		Chg. 31.12	
	net of Mediobanca Group															
	Stage 1	Stage 2	Total performing loans to customers measured at amortised cost	Total loans to customers measured at amortised cost	Stage 1	Stage 2	Total performing loans to customers measured at amortised cost	Total loans to customers measured at amortised cost	Stage 1	Stage 2	Total performing loans to customers measured at amortised cost	Total loans to customers measured at amortised cost	Stage 1	Stage 2	Stage 1	Stage 2
Gross exposure	70,928.8	9,383.0	80,311.8	83,580.0	126,899.7	11,827.3	138,727.0	142,968.8	65,334.1	10,408.1	75,742.2	79,456.9	-	-	-	-
Adjustments	176.0	334.0	510.0	2,177.8	455.4	642.9	1,098.3	2,895.4	112.0	349.5	461.5	2,290.8	-	-	-	-
Net exposure	70,752.8	9,049.0	79,801.8	81,402.2	126,444.3	11,184.4	137,628.7	140,073.4	65,222.1	10,058.6	75,280.7	77,166.1	-	-	-	-
Coverage ratio	0.2%	3.6%	0.6%	2.6%	0.4%	5.4%	0.8%	2.0%	0.2%	3.4%	0.6%	2.9%	-0.2%	-1.8%	0.0%	0.2%
% on Loans to customers measured at amortised cost	86.9%	11.1%	100.0%		90.3%	8.0%	100.0%		84.5%	13.0%		100.0%	-3.4%	3.1%	2.4%	-1.9%

The gross exposure of loans classified as Stage 1, including the contribution attributable to the Mediobanca Group, amounted to EUR 129.6 bn as at 31 December 2025, up compared with 30 September 2025 (EUR 126.9 bn). Net of the acquired Group, the gross exposure of loans classified as Stage 1 amounted to EUR 71.0 bn, compared with EUR 65.3 bn as at 31 December 2024. The 2025 trend was mainly attributable to the flow of new disbursements during the year. Positions classified as Stage 2, whose gross exposure amounted to EUR 11.6 bn as at 31 December 2025 including the contribution of the acquired Group, compare with EUR 11.8 bn as at 30 September 2025. Net of the Mediobanca Group's contribution, the gross exposure of positions classified as Stage 2 amounted to EUR 9.3 bn, compared with EUR 10.4 bn as at 31 December 2024.

Non-performing exposures of loans to customers

In the tables below, Non-performing loans to customers are represented by all cash exposures, in the form of loans to customers, regardless of the accounting portfolio to which they belong.

Total non-performing loans to customers of the Group as at 31 December 2025 amounted to EUR 4.2 bn (including EUR 1.0 bn relating to the Mediobanca Group), down compared with 30 September 2025 (EUR 4.4 bn). In particular:

- The gross exposure of bad loans, amounting to EUR 1.3 bn, was stable compared with 30 September 2025. Net of the EUR 171.6 mln relating to the acquired Group, the aggregate amounted to EUR 1.1 bn, down compared with 31 December 2024 (EUR 1.3 bn);
- The gross exposure of Unlikely to pay exposures, amounting to EUR 2.6 bn, was down compared to 30 September 2025 (EUR 2.8 bn). Net of the EUR 578.0 mln relating to the acquired Group, the aggregate amounted to EUR 2.0 bn, down compared with 31 December 2024 (EUR 2.2 bn);
- the gross exposure of non-performing past-due loans amounted to EUR 346.3 mln, down from EUR 378.8 mln as at 30 September 2025. Net of the EUR 295.5 mln relating to the acquired Group, the aggregate amounted to EUR 50.8 mln, down compared with 31 December 2024 (EUR 99.0 mln);

As at 31 December 2025, the Group's **net exposure in terms of Non-performing loans to customers** amounted to **EUR 2.0 bn**, down compared with EUR 2.1 bn as at 30 September 2025. Net of the EUR 0.4 bn relating to the Mediobanca Group, net exposure in terms of Non-performing loans to customers stood at **EUR 1.6 bn**, down on a like-for-like scope compared with 31 December 2024 (EUR 1.9 bn).

Loans to customers		Bad loans	Unlikely to pay	Non-performing Past due Loans	Total Non-performing loans to customers	Performing loans	Total
31 12 2025	Gross exposure	1,294.7	2,582.1	346.3	4,223.1	142,008.8	146,231.9
	Adjustments	845.3	1,224.6	201.5	2,271.4	1,118.2	3,389.6
	Net exposure	449.4	1,357.5	144.8	1,951.7	140,890.6	142,842.3
	Coverage ratio	65.3%	47.4%	58.2%	53.8%	0.8%	2.3%
	% on Loans to customers	0.3%	1.0%	0.1%	1.4%	98.6%	100.0%

Loans to customers of which Mediobanca Group		Bad loans	Unlikely to pay	Non-performing Past due Loans	Total Non-performing loans to customers	Performing loans	Total
31 12 2025	Gross exposure	171.6	578.0	295.5	1,045.1	61,567.7	62,612.8
	Adjustments	136.2	369.1	187.1	692.4	608.4	1,300.8
	Net exposure	35.4	208.9	108.4	352.7	60,959.3	61,312.0
	Coverage ratio	79.4%	63.9%	63.3%	66.3%	1.0%	2.1%
	% on Loans to customers	0.1%	0.3%	0.2%	0.6%	99.4%	100.0%

Loans to customers Net of Mediobanca Group		Bad loans	Unlikely to pay	Non-performing Past due Loans	Total Non-performing loans to customers	Performing loans	Total
31 12 2025	Gross exposure	1,123.1	2,004.1	50.8	3,178.0	80,441.1	83,619.1
	Adjustments	709.1	855.5	14.4	1,579.0	509.8	2,088.8
	Net exposure	414.0	1,148.6	36.4	1,599.0	79,931.3	81,530.3
	Coverage ratio	63.1%	42.7%	28.3%	49.7%	0.6%	2.5%
	% on Loans to customers	0.5%	1.4%	0.0%	2.0%	98.0%	100.0%

Loans to customers		Bad loans	Unlikely to pay	Non-performing Past due Loans	Total Non-performing loans to customers	Performing loans	Total
30 09 2025	Gross exposure	1,293.5	2,761.9	378.8	4,434.2	139,647.4	144,081.6
	Adjustments	843.8	1,238.8	204.2	2,286.8	1,116.3	3,403.1
	Net exposure	449.7	1,523.1	174.6	2,147.4	138,531.1	140,678.5
	Coverage ratio	65.2%	44.9%	53.9%	51.6%	0.8%	2.4%
	% on Loans to customers	0.3%	1.1%	0.1%	1.5%	98.5%	100.0%
31 12 2024	Gross exposure	1,320.8	2,240.6	99.0	3,660.4	75,883.8	79,544.2
	Adjustments	878.2	869.5	26.0	1,773.7	460.9	2,234.6
	Net exposure	442.6	1,371.1	73.0	1,886.7	75,422.9	77,309.6
	Coverage ratio	66.5%	38.8%	26.3%	48.5%	0.6%	2.8%
	% on Loans to customers	0.6%	1.8%	0.1%	2.4%	97.6%	100.0%

As at 31 December 2025, the **coverage ratio of non-performing exposures** (including the contribution of the Mediobanca Group) stood at 53.8%, up on like-for-like basis compared with the figure recorded as at 30 September 2025 (51.6%). In particular, the percentage of coverage of bad loans increased from 65.2% to 65.3%, that of Unlikely to pay exposures from 44.9% to 47.4%, and that of Non-performing past-due loans from 53.9% to 58.2%.

For the perimeter net of the acquired group, the coverage percentage of non-performing loans stood at 49.7%, slightly up compared to 31 December 2024 (equal to 48.5%). At the level of individual administrative states, the percentage coverage of Unlikely to pay exposures (whose coverage increased from 38.8% to 42.7%) and of Non-performing past-due loans (which increased from 26.3% to 28.3%) rose; On the other hand, the percentage of coverage of bad loans decreased (the coverage fell from 66.5% to 63.1%).

Change in gross exposures

abs/%		Bad loans	Unlikely to pay	Non-performing past due exposures	Total Non-performing loans to customers	Performing loans	Total
Q/Q	abs.	1.2	(179.8)	(32.5)	(211.1)	2,361.4	2,150.3
	%	0.1%	-6.5%	-8.6%	-4.8%	1.7%	1.5%
31.12	abs.	(26.1)	341.5	247.3	562.7	66,125.0	66,687.7
	%	-2.0%	15.2%	249.8%	15.4%	87.1%	83.8%
Y/Y	abs.	(26.1)	341.5	247.3	562.7	66,125.0	66,687.7
	%	-2.0%	15.2%	249.8%	15.4%	87.1%	83.8%

Changes in coverage ratios

	Bad loans	Unlikely to pay	Non-performing past due exposures	Total Non-performing loans to customers	Performing loans	Total
Q/Q	0.1%	2.6%	4.3%	2.2%	0.0%	0.0%
31.12	-1.2%	8.6%	31.9%	5.3%	0.2%	-0.5%
Y/Y	-1.2%	8.6%	31.9%	5.3%	0.2%	-0.5%

Other Financial Assets/Liabilities

As at 31 December 2025, the Group's Securities assets, including the contribution of the Mediobanca Group, amounted to EUR 46.5 bn, up by 4.4% (EUR +1.9 bn) compared with 30 September 2025, thanks to growth in securities relating to customers at amortised cost (EUR +0.8 bn), financial assets held for trading (EUR +0.8 bn) and financial assets measured at fair value through other comprehensive income (EUR +0.4 bn). The other components were essentially stable.

Excluding the Mediobanca Group's contribution (EUR 28.1 bn), the aggregate amounted to EUR 18.5 bn, up by 5.9% (EUR +1.0 bn) compared with the previous year-end. The growth recorded in financial assets held for trading (EUR +1.4 bn) and loans to banks at amortised cost (EUR +0.2 bn) was partly offset by the decrease in financial assets measured at fair value through other comprehensive income (EUR -0.5 bn). The other components were essentially stable.

On-balance-sheet financial liabilities held for trading stood at EUR 6.2 bn as at 31 December 2025, including the contribution of the Mediobanca Group, compared with EUR 6.9 bn as at 30 September 2025. Net of the contribution of the acquired group (EUR 4.8 bn), the aggregate amounted to EUR 1.4 bn, down by EUR 0.2 bn compared with the figure recorded as at 31 December 2024.

As at 31 December 2025, the Group's net derivatives position, including the contribution of the Mediobanca Group, stood at a positive EUR 0.1 bn, compared with EUR -0.2 bn as at 30 September 2025. Excluding the contribution of the acquired group (negative for EUR 1.6 bn), the aggregate was positive for EUR 1.8 bn, compared with the net positive balance of EUR 1.1 bn as at 31 December 2024.

Items	31 12 2025			30 09 2025 (d)	31 12 2024 (e)	Chg. Q/Q (a) (d)		Chg. Y/Y (c) (e)	
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)			Abs.	%	Abs.	%
Securities assets	46,543.0	28,058.7	18,484.3	44,598.2	17,447.4	1,944.8	4.4%	1,036.9	5.9%
Financial assets held for trading	19,913.1	14,768.2	5,144.9	19,127.5	3,764.4	785.6	4.1%	1,380.5	36.7%
Financial assets mandatorily measured at fair value	959.6	708.1	251.5	959.4	312.7	0.2	0.0%	(61.2)	-19.6%
Financial assets measured at fair value through other comprehensive income	6,966.1	5,129.7	1,836.4	6,605.6	2,337.4	360.5	5.5%	(501.0)	-21.4%
Financial assets held for sale	0.0	0.0	0.0	1.0	57.6	(1.0)	-100.0%	(57.6)	-100.0%
Loans to customers measured at amortised cost	16,789.9	6,493.8	10,296.1	15,950.6	10,237.7	839.3	5.3%	58.4	0.6%
Loans to banks measured at amortised cost	1,009.3	53.9	955.4	987.8	737.6	21.5	2.2%	217.8	29.5%
On-balance-sheet financial liabilities held for trading	(6,187.8)	(4,764.6)	(1,423.2)	(6,851.0)	(1,617.9)	663.2	-9.7%	194.7	-12.0%
Net positions in Derivatives	149.5	(1,601.2)	1,750.7	(242.7)	1,060.2	392.2	n.m.	690.5	65.1%
Other financial assets and liabilities	40,504.7	21,692.9	18,811.8	37,504.5	16,889.7	3,000.2	8.0%	1,922.1	11.4%

Items	31 12 2025				30 09 2025		31 12 2024			
	Montepaschi Group (a)		of which: Mediobanca Group (b)		Consolidated figure net of Mediobanca Group (c) = (a)-(b)		Securities assets	On-balance-sheet financial liabilities held for trading	Securities assets	On-balance-sheet financial liabilities held for trading
	Securities assets	On-balance-sheet financial liabilities held for trading	Securities assets	On-balance-sheet financial liabilities held for trading	Securities assets	On-balance-sheet financial liabilities held for trading				
Debt securities	38,086.9	-	20,097.3	-	17,989.6	-	38,092.1	-	16,877.6	-
Equity instruments and Units of UCITS	8,456.1	-	7,961.4	-	494.7	-	6,506.1	-	569.8	-
Loans	-	6,187.8	-	4,764.6	-	1,423.2	-	6,851.0	-	1,617.9
Total	46,543.0	6,187.8	28,058.7	4,764.6	18,484.3	1,423.2	44,598.2	6,851.0	17,447.4	1,617.9

Interbank position

As at 31 December 2025, the Group **net interbank position**, including the contribution of the Mediobanca Group, stood at **EUR 3.4 bn** in funding, compared with the net interbank position of EUR 0.9 bn in funding as at 30 September 2025; the trend was mainly driven by the increase in loans liabilities to banks (EUR +2.0 bn). Excluding the contribution of the acquired group (EUR 7.7 bn in funding), the aggregate amounted to EUR 4.3 bn in lending, compared with net interbank lending of EUR 6.1 bn as at 31 December 2024. The change compared with the end of the previous year (EUR -1.8 bn) was mainly driven by: (i) in relations with banks, increased funding and reduced lending; (ii) in transactions with central banks, an increase in the net balance placed in the depo facility.

Interbank balances									
	31 12 2025			30 09 2025 (d)	31 12 2024 (e)	Chg. Q/Q (a) (d)		Chg. Y/Y (c) (e)	
	Montepaschi Group (a)	of which: Mediobanca Group (b)	Consolidated figure net of Mediobanca Group (c)=(a)-(b)			Abs.	%	Abs.	%
Loans to banks	7,120.3	5,268.1	1,852.2	6,746.0	2,068.3	374.3	5.5%	(216.1)	-10.4%
Deposits from banks	16,252.9	13,685.3	2,567.6	14,291.8	1,301.0	1,961.1	13.7%	1,266.6	97.4%
Demand deposits with banks (cash)	1,420.0	818.7	601.3	1,528.0	1,656.9	(108.0)	-7.1%	(1,055.6)	-63.7%
Net position with banks	(7,712.6)	(7,598.5)	(114.1)	(6,017.8)	2,424.2	(1,694.8)	28.2%	(2,538.3)	n.m.
Loans to central banks	1,094.2	197.2	897.0	1,114.4	565.5	(20.2)	-1.8%	331.5	58.6%
Deposits from central banks	10,029.9	1,020.1	9,009.8	8,574.5	8,510.9	1,455.4	17.0%	498.9	5.9%
Demand deposits with Central banks (cash)	13,238.3	740.2	12,498.1	12,594.7	11,617.9	643.6	5.1%	880.2	7.6%
Net position with central banks	4,302.6	(82.7)	4,385.3	5,134.6	3,672.5	(832.0)	-16.2%	712.8	19.4%
Net interbank position	(3,410.0)	(7,681.2)	4,271.2	(883.2)	6,096.7	(2,526.8)	n.m.	(1,825.5)	-29.9%

As at 31 December 2025, the operating liquidity position shows a level of **unencumbered Counterbalancing Capacity** of EUR 53.8 bn, including the contribution of the Mediobanca Group, compared with EUR 53.3 bn as at 30 September 2025 on the same scope. Excluding the EUR 20.3 bn contribution relating to the acquired group, spot Counterbalancing Capacity amounted to EUR 33.5 bn, compared with EUR 33.0 bn as at 31 December 2024.

Other Assets

The item Other assets includes the value of diamonds, for EUR 47.3 mln, involved in the action taken by the Parent Company in 2018, that envisaged the payment to customers of a consideration up to an amount equal to the amount the latter originally paid to Diamond Private Investment to purchase the stones, with their simultaneous transfer to the Bank and finalisation of an appropriate transaction.

The item also includes tax credits generated under the incentives provided for by the "Cura Italia" and "Rilancio" decree laws (so-called Ecobonus and Sismabonus), with a carrying amount of EUR 1,644.6 mln, of which EUR 259.3 mln relates to Mediobanca. The figure, net of the amount relating to Mediobanca, amounts to EUR 1,385.3 mln (EUR 1,804.8 mln as at 31 December 2024).

Shareholders' equity

As at 31 December 2025, Group shareholders' equity, including non-controlling interests, amounted to EUR 30.2 bn, compared with EUR 29.1 bn as at 30 September 2025 and EUR 11.6 bn as at 31 December 2024. The increase compared with the end of the previous quarter was mainly due to the profit recorded in the fourth quarter, while, compared with the end of the previous year, in addition to the profit for the year and the dividend payment relating to the previous year made in May 2025, the effects of the overall transaction to acquire the Mediobanca Group also had an impact, leading to the recognition of (i) an amount of EUR 14.8 bn (net of ancillary costs and related tax effects) relating to the capital increase in service of the public Tender and exchange offer (OPAS), of which: EUR 10.5 bn was allocated to share capital, EUR 3.2 bn to the share premium reserve and EUR 1.1 bn to other reserves, and (ii) EUR 2.3 bn relating to the recognition of minority interests.

Reclassified Consolidated Balance Sheet							
Equity	31 12 2025	30 09 2025	31 12 2024*	Chg. Q/Q		Chg. Y/Y	
				Abs.	%	Abs.	%
Group Net Equity	27,961.2	26,742.2	11,649.0	1,219.0	4.6%	16,312.2	n.m.
a) Valuation reserves	58.8	56.7	60.4	2.1	3.7%	(1.6)	-2.6%
d) Reserves	4,063.7	4,195.2	2,184.3	(131.5)	-3.1%	1,879.4	86.0%
e) Share premium	3,146.6	3,147.5	-	(0.9)	n.m.	-	0.0%
f) Share capital	17,978.2	17,978.2	7,453.5	-	0.0%	10,524.7	n.m.
g) Treasury shares (-)	(1.8)	(1.8)	-	-	n.m.	(1.8)	-
h) Net profit (loss) for the year	2,715.7	1,366.4	1,950.8	1,349.3	98.7%	764.9	39.2%
Non-controlling interests	2,248.5	2,317.9	0.3	(69.4)	-3.0%	2,248.2	n.m.
Shareholders' equity of the Group and Non-controlling interests	30,209.7	29,060.1	11,649.3	1,149.6	4.0%	18,560.4	n.m.

Capital adequacy

Regulatory capital and statutory requirements

As a result of the conclusion of the SREP conducted with reference to the figures as at 31 December 2023 and also taking into account the information received after that date, with the submission in December 2024 of the 2024 SREP Decision, the ECB asked the Parent Company to maintain, effective 1 January 2025, a consolidated TSCR level of 10.50%, which includes 8% as a Pillar 1 minimum requirement ("P1R") pursuant to Article 92 of the CRR and 2.50% as Pillar 2 additional requirement ("P2R"), which must be respected at least for 56.25% with CET1 and at least 75% with Tier 1.

With regard to *Pillar 2 Capital Guidance* (P2G), the ECB expects the Parent Company to adapt, on a consolidated basis, to a requirement of 1.15%, to be fully met from Common Equity Tier 1 capital in addition to the overall capital requirement (OCR). Failing to comply with this capital guideline is not, at any rate, equivalent to failing to comply with the capital requirements.

Following the review of the 2024 SREP Decision carried out by the ECB to take into account both the conclusion of the SREP conducted on Banca MPS and on Mediobanca during 2025 and the outcomes of the 2025 EBA Stress Test, the Parent Company received the final decision from the same Authority regarding the capital requirements to be met on a consolidated basis. Effective 1 December 2025, the Parent Company must maintain a TSCR level of 10.20%, which includes an 8% P1R pursuant to Article 92 of the CRR and a 2.20% P2R, reduced from the previous level of 2.50%, which must be met at least for 56.25% with CET1 and at least 75% with Tier 1. The P2G was set at 1.00%, down 15 bps from the previous level.

Please note that, starting from 1 January 2019, the *Capital Conservation Buffer* (CCB) has been 2.5%, and that, starting from 31 December 2024, the Group is required to comply with the *Systemic Risk Buffer* (SyRB), equal to 1% of credit and counterparty risk-weighted exposures to residents in Italy (0.5% from 31 December 2024 to 29 June 2025).

Lastly, the Bank of Italy identified the MPS Group for 2026 as an Other Systemically Important Institution (O-SII) authorised in Italy and, therefore, the Group will have to maintain, starting from 1 April 2026, an O-SII buffer equal to 0.50% of its total risk-weighted exposures.

Accordingly, the Group must meet the following requirements at the consolidated level as at 31 December 2025:

- 9.01% CET1 Ratio;
- 10.92% Tier1 Ratio;
- 13.47% Total Capital Ratio.

These ratios include, in addition to the P2R, 2.5% in terms of Capital Conservation Buffer, 0.09% in terms of Countercyclical Capital Buffer (CCyB)¹⁷ and 0.68% in terms of Systemic Risk Buffer.

¹⁷ Calculated considering the exposure as at 31 December 2025 in the various countries in which the MPS Group operates and the requirements established by the competent national authorities.

As at **31 December 2025**, the Group's capital level, on a *transitional* basis, is as shown in the following table:

Categories / Values	31 12 2025	31 12 2024	Change 31 12 2024	
			Abs.	%
OWN FUNDS				
Common Equity Tier 1 (CET1)	14,251.1	8,847.4	5,403.7	61.08%
Tier 1 (T1)	14,346.1	8,847.4	5,498.7	62.15%
Tier 2 (T2)	1,803.5	1,112.1	691.4	62.17%
Total capital (TC)	16,149.6	9,959.5	6,190.1	62.15%
RISK-WEIGHTED ASSETS				
Credit and Counterparty Risk	69,361.8	36,675.0	32,686.8	89.13%
Credit valuation adjustment risk	867.1	261.6	605.5	231.46%
Market risks	4,265.6	1,840.2	2,425.4	131.80%
Operational risk	13,218.7	9,613.4	3,605.3	37.50%
Total risk-weighted assets	87,713.2	48,390.2	39,323.0	81.26%
CAPITAL RATIOS				
CET1 capital ratio	16.25%	18.28%	-2.04%	
Tier1 capital ratio	16.36%	18.28%	-1.93%	
Total capital ratio	18.41%	20.58%	-2.17%	

Capital ratios as at 31 December 2025 include the effects arising from the consolidation of the Mediobanca Group, whose impacts are mainly attributable to (i) the capital increase in service of the Public Tender and Exchange Offer, (ii) the recognition of goodwill as at 31 December 2025, although not definitive as the Purchase Price Allocation process under IFRS 3 will be completed by 30 September 2026, (iii) deductions related to significant investments in CET1 instruments of other financial sector entities, and (iv) the consolidation of the Mediobanca Group's risk-weighted assets, also including the effects of the Purchase Price Allocation.

In detail, CET1 recorded an overall increase of EUR 5.4 bn as a result of the above-mentioned reasons.

The increase in Additional Tier 1 (AT1) capital was due to the contribution of minority interests (EUR +95 mln), while Tier 2 recorded an increase of EUR +691 mln compared with the end of December 2024, attributable to EUR -17 mln from the lower contribution of Tier 2 subordinated instruments, EUR +98 mln from the increase in the Tier 2 contribution of the excess of Adjustments over expected losses, and EUR +613 mln from the contribution of minority interests. The Total Capital Ratio therefore reflects an overall increase in Own Funds of EUR +6.2 bn.

Compared with 31 December 2024, RWA recorded a net increase of EUR 39.3 bn, essentially attributable to the consolidation of the Mediobanca Group's risk-weighted assets, including the effects of the Purchase Price Allocation, for EUR 38.5 bn. Please also note that, as a result of the new provisions of Regulation (EU) 2024/1623 ("CRR3"), operational risks decreased by EUR 2.3 bn with reference the MPS Group prior the acquisition of Mediobanca Group.

As at 31 December 2025, the Parent Company, on a consolidated basis, therefore met all capital requirements, including those related to the P2G.

As at 31 December 2025, the Group, on a transitional basis, presented a leverage ratio of 6.23%, higher than the regulatory minimum of 3%.

MREL Capacity

Pursuant to Article 45 of Directive 2014/59/EU, as amended, banks must at all times respect a Minimum Requirement for Own Funds and Eligible Liabilities (MREL) in order to ensure that, in the event of application of the bail-in, they have sufficient liabilities to absorb losses and to ensure compliance with the Common Equity Tier 1 requirement envisaged for authorisation to carry out banking activities, as well as to generate sufficient trust in the market.

With the letter of 29 November 2024, the Parent Company received from the Bank of Italy, in its capacity as Resolution Authority, the decision SRB/EES/2024RPC/57 of the Single Resolution Committee on the calculation of the minimum requirement for own funds and eligible liabilities. Please note that the MREL targets set out in that decision will continue to apply only to the MPS Group, net of the contribution of the Mediobanca Group, pending receipt of an MREL target determined on the basis of the new scope.

As of 31 December 2025, the Parent Company must therefore comply, on a consolidated basis (MPS Group prior the acquisition of Mediobanca Group), with an MREL of 23.59% in terms of TREA, to which the Combined Capital Buffer Requirement (CBR) of 3.27%¹⁸ must be added, and 6.43% in terms of LRE. To these must be added the additional subordinated MREL requirements, to be met with own funds and subordinated instruments, equal to 13.99% of TREA, to which the CBR must be added, and 6.43% of LRE.

As at 31 December 2025, the Group reported values exceeding the requirements, as detailed below:

- MREL capacity of 29.44% in terms of TREA and 10.48% in terms of LRE (“Leverage ratio exposure measure”); and
- MREL subordination capacity of 23.26% in terms of TREA and 8.28% in terms of LRE.

In this regard, please note that the Group’s funding strategies aim to guarantee - as concerns public bond issue plans in particular - the constant fulfilment of MREL requirements.

¹⁸ Calculated with reference solely to the MPS Group, net of the contribution of the Mediobanca Group.

Tax Position of Group

National Consolidated Taxation MPS Group

Since 2004, the Parent Company has opted for the National Consolidated Taxation System (Article 117 et seq. of the T.U.I.R. – Consolidated Income Tax Act). The scope of the MPS Group's tax consolidation as at 31 December 2025 includes: Banca Monte dei Paschi di Siena S.p.A., Monte Paschi Fiduciaria S.p.A., Wise Dialog Bank S.p.A., Aiace Reoco S.r.l. in liquidation, MPS Tenimenti Poggio Bonelli e Chigi Saracini soc. agricola S.p.a. Following the acquisition of the Mediobanca Group completed by the Parent Company in the current financial year, the following companies resolved to join the MPS Group's Consolidated Taxation Scheme, with effect from tax year 2026: Mediobanca – Banca di Credito Finanziario S.p.A., Compass Banca S.p.A., Mediobanca Premier S.p.A., MBCredit Solutions S.p.A., SelmaBipiemme Leasing S.p.A., Mediobanca Innovation Services S.c.p.A., Compass Rent S.r.l., Compass Link S.r.l., Società per amministrazioni Fiduciarie SPAFID S.p.A., Spafid Trust S.r.l., Mediobanca Sgr S.p.A., MBContact Solutions S.r.l., Quarzo S.r.l., Mediobanca Covered Bond S.r.l. and MBfacta S.p.A.

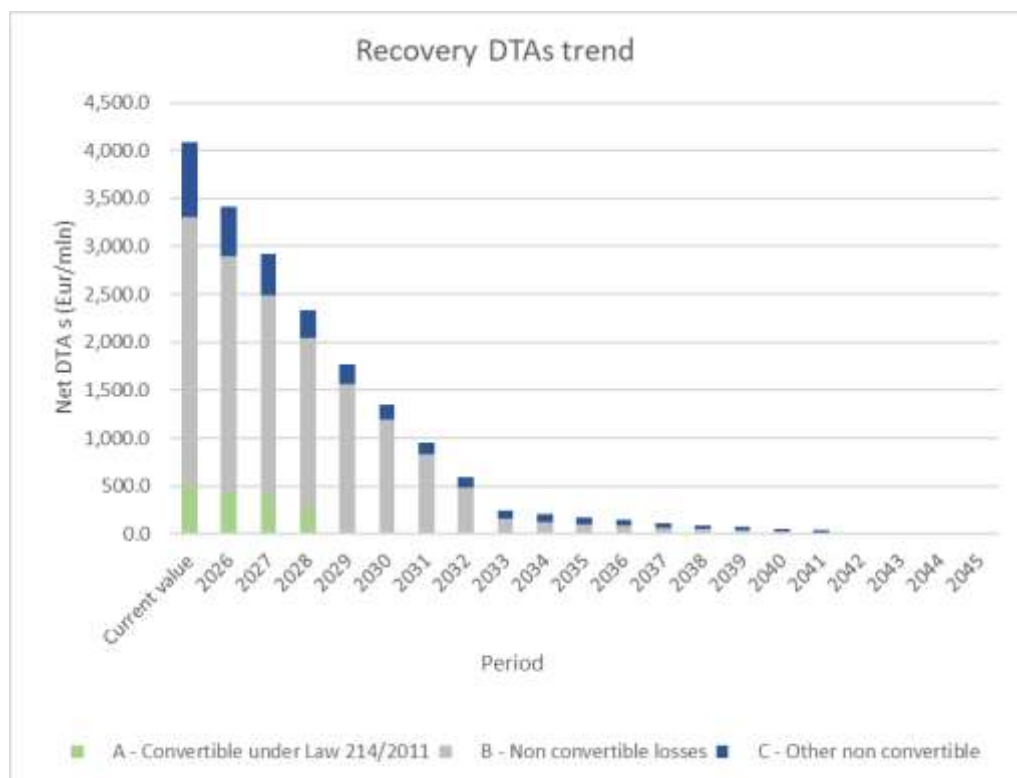
Net deferred tax assets (net DTAs)

As at 31 December 2025, the Group's situation was as follows:

DTAs	Recognised on balance sheet as at al 31/12/2025	%	Not recognised on balance sheet as at al 31/12/2025	%	Total potential DTAs as at 31/12/2025	%
Convertible DTAs Law 214/2011	494.6	12.1%	0.0	0.0%	494.6	12.1%
Non-convertible tax losses	2,810.2	68.7%	0.0	0.0%	2,810.2	68.7%
Excess ACE (Allowance for Corporate Equity)	3.4	0.1%	0.0	0.0%	3.4	0.1%
Other non-convertible	779.9	19.1%	0.0	0.0%	779.9	19.1%
	4,088.0	100.0%	1,443.5	100.0%	4,088.0	100.0%

The values of deferred tax assets are presented net of offsetting deferred tax liabilities

The following timing is estimated for the recovery of the aforementioned DTAs recognised in financial statements:



The MPS Group is characterised by the fact that it has significant consolidated tax losses for IRES (corporate income tax) purposes, as well as individual tax losses (almost entirely attributable to the Parent Company) for additional IRES purposes, incurred in previous financial years.

The related DTAs were recognised under assets in the Group's recent financial statements only in part, in application of the accounting policy adopted, to the extent that they could be offset against prospective taxable income derived from the Business Plans approved from time to time by the Parent Company. With the acquisition of the Mediobanca Group completed in the current financial year and, in particular, the consequent expansion of the scope of companies participating in MPS's tax consolidation with effect from tax year 2026, the Group's earnings prospects have become sufficient to allow the full absorption of prior years' tax losses, resulting in the full recognition of the related DTAs under assets in these financial statements.

For further information, please refer to paragraph 11.8 Other information of the Notes to the consolidated financial statements - Part B - Information on the balance sheet in these financial statements.

Prior years' tax losses and ACE benefit

The prior years' tax losses of the MPS tax consolidation amount to EUR 10.5 bn. Prior years' tax losses for additional IRES purposes (almost entirely attributable to the Parent Company) amount to EUR 8.6 bn. The ACE benefit accrued up to 31 December 2023 has been fully utilised to offset taxable income, with the exception of a residual surplus of approximately EUR 96 mln that may be carried forward by the Parent Company for additional IRES purposes.

DTA fee

With specific reference to convertible DTAs pursuant to Italian Law 214/2011, the companies participating in the tax consolidation of MPS Group have chosen, through the Parent Company, the system envisaged by Article 11 of Italian Law Decree 59/2016.

Note that, against the commitment to pay the related fee, the participation of MPS Group in the option pursuant to art. 11 of Italian Law Decree 59/2016 guarantees the right to convert DTAs into tax credit referred to in Italian Law 214/2011 when the conditions envisaged by the law are met.

The amount of the fee paid in 2025 was approximately EUR 57 mln.

Extraordinary contribution for the tax redemption of the “Locked” Reserve

Article 26 of Italian Decree-Law no. 104 of 10 August 2023 (converted into Law no. 136 of 9 October 2023) introduced an extraordinary tax (one-off) to be borne by banks calculated on the increase in the net interest income (the so-called “Windfall tax”). This tax was determined by applying a rate of 40% on the amount of the net interest income for the year 2023 which exceeded the net interest income for the year 2021 by at least 10%, however the amount due could not exceed one 0.26% share of Risk-Weighted Assets as at 31 December 2022 (the “cap”).

For the Group banks to which the above provisions applied (Banca MPS, Banca Widiba, Mediobanca – Banca di Credito Finanziario S.p.A., Compass Banca S.p.A.), the tax potentially due amounted in aggregate to approximately EUR 215 mln. However, exercising the option provided for by the above legislation, instead of paying the tax, when approving the financial statements as at 31 December 2023 (as regards Banca MPS and Widiba) and the financial statements as at 30 June 2024 (as regards Mediobanca – Banca di Credito Finanziario S.p.A. and Compass Banca S.p.A.), the Group banks resolved to allocate a portion of profit for the year equal to 2.5 times the amount of the tax due to the establishment of a specific non-distributable reserve (the so-called “Locked” Reserve). The amount of this reserve totals approximately EUR 538.6 mln (of which EUR 308.8 mln for Banca MPS, EUR 3.8 mln for Banca Widiba, EUR 210 mln for Mediobanca – Banca di Credito Finanziario S.p.A. and EUR 16 mln for Compass Banca S.p.A.).

As a result of the Budget Law no. 199 of 30/12/2025, a legal presumption (Article 1, paragraph 68) has been introduced that this reserve is distributed as a priority; with effect from profit distributions carried out as from 1 January 2029, this entails the obligation to pay the extraordinary tax (at a rate of 40%) provided for by the aforementioned Article 26 of Decree-Law No. 104/2023, which had been suspended thanks to the establishment of the reserve in question. A transitional regime has also been introduced (Article 1, paragraphs 69 to 73 of the aforementioned Law No. 199/2025), which allows the disapplication of the said legal presumption, provided that the reserve is subject to an extraordinary contribution at a reduced rate, equal to: (a) 27.5% of the reserve existing at 31/12/2025, to be paid by 30/06/2026; (b) 33% of the reserve existing at 31/12/2026, to be paid by 30/06/2027.

The Boards of Directors of the Group banks resolved to carry out the tax redemption of the “Locked” Reserve existing at 31/12/2025, exercising the option provided for by the above transitional regime, by paying the extraordinary contribution envisaged, at a rate of 27.5%, with payment to be made by 30/06/2026. The amount of the extraordinary contribution due overall by the Group banks – equal to EUR 148.2 mln – was recognised against a specific negative equity reserve. As a result of completion of the tax redemption (to be achieved through payment of the contribution and subsequent settlement in the tax return for the tax period in respect of which it applies), those same reserves may be distributed to shareholders without incurring the obligation to pay the extraordinary tax provided for by Article 26 of Decree-Law 104/2023, at 40% of the reserve itself.

Pillar 2 – Global Minimum Tax

In implementing the principles set forth in Italian Law no. 111 of 9 August 2023, Italian Legislative Decree no. 209 of 27 December 2023 has transposed into Italian law the Council Directive (EU) 2022/2523 of 15 December 2022, aimed at ensuring a minimum global level of taxation for large multinational groups of companies and large-scale national groups in the Union, according to the common approach shared at international level.

The Directive transposes into the single market the main core of the global agreement on the so-called Pillar 2 reached at the OECD/G20, which aims to introduce a global minimum effective taxation of multinational companies (“global minimum tax”, also known as GMT), providing for a coordinated system of rules (so-called Model Rules or GloBE Rules) capable of ensuring that large groups of companies are subject to a minimum level of taxation at least equal to 15% in each of the countries where these groups operate and generate income, in order to achieve a level playing field between companies at a global level, putting a brake on tax competition implemented through a race to the bottom in tax rates and, therefore, promoting efficient investment decisions and localisation of business activities.

In order to guarantee a minimum level of taxation of multinational or national groups of companies, the aforementioned Legislative Decree 209/2023, borrowing the system of rules adopted by the OECD (albeit with certain amendments aimed at ensuring compatibility with EU law), orders additional taxation to be levied in Italy through:

a) the *minimum integrative tax* (known as IIR, “Income Inclusion Rule”), payable by the Parent Company or ultimate controlling entity, residing in Italy, of a multinational group or a domestic group, in relation to the companies belonging to the group, that are subject to low taxation in the country where they are located;

b) the “*minimum supplementary tax*” (known as UTPR, “Undertaxed Profits Rule”), due by one or more companies, residing in Italy, of the multinational group in relation to those companies of the group that are located in low-tax countries only when the equivalent minimum supplementary tax has not been charged, in whole or in part, in other countries;

c) the *minimum national tax* (known as QDMTT, “Qualified Domestic Minimum Top-Up Tax”) due in relation to all the companies of a multinational or national group subject to low taxation located in Italy.

The following implementing decrees outlined the relevant legislation in their respective fields of application:

- Ministerial Decree of 20 May 2024 (Simplified Transitional Schemes),
- Ministerial Decree of 1 July 2024 (Minimum National Tax”),
- Ministerial Decree of 11 October 2024 (Reduction of the tax base of the minimum tax arising from substantial economic activity known as SBIE - Substance-based Income Exclusion),
- Ministerial Decree of 20 December 2024 (Miscellaneous Provisions Implementing the Global Minimum Tax),
- Ministerial Decree 27 December 2024 (Regulation of deferred taxation in the transitional period)
- Ministerial Decree of 16 October 2025 (Regulation of the Relevant Communication)
- Ministerial Decree of 7 November 2025 (Regulation of the Tax Return relating to the Minimum National Tax)

The regulations apply to groups with annual revenues of at least EUR 750 mln (threshold that must be exceeded in at least two of the four financial years immediately prior to the one considered), with effect from 1 January 2024.

As the MPS Group qualifies as a multinational group (with Banca MPS acting as controlling parent company, or UPE “Ultimate Parent Entity”), it meets the requirements for application of the new tax and is therefore potentially affected by it.

Following the integration transaction with the Mediobanca Group, in addition to Italy, France, Ireland and China (where the MPS Group was also present in 2024), the MPS Group is present in the following further jurisdictions: United Kingdom, Principality of Monaco, Germany, United States of America, Luxembourg, Switzerland, Spain, Gibraltar, Cayman Islands.

In this regard, it should be noted that France, Ireland, Italy, Spain, Germany, the United Kingdom and Luxembourg, in addition to having implemented the Income Inclusion Rule (IIR) and the Minimum National Tax (DMTT), have also obtained, with reference to the latter tax, “qualified” status and “safe harbour” status (see the list published on the OECD’s institutional website on 15 January 2025 and the related Ministry of Economy and Finance (MEF) press release of 23 January 2025).

It should be noted that the process of integrating data and information frameworks between the two groups is still ongoing and may lead to progressive refinements of the detailed analyses by individual jurisdiction, as summarised below.

That being so, based on the estimates carried out: (i) in all the jurisdictions in which the Group is present, the requirements for the applicability of the transitional CbCR Safe Harbour (TSH) regimes are met, with the result that no tax would be due, with the exceptions of France and Italy, for which it was not possible to access the TSH for 2024 and, therefore, such access is also precluded for subsequent financial years on the basis of the OECD-derived “once out, always out” principle; (ii) the effective tax rate applicable to the Group companies located in Italy and France is significantly higher than the Global Minimum Tax minimum rate (15%), with the result that no top-up tax would be due even for those jurisdictions.

VAT Group

The MPS VAT Group, established since 2019, includes seven companies as at 31/12/2025: Banca Monte dei Paschi di Siena S.p.A., Cirene Finance S.r.l., G. Imm. Astor S.r.l., Monte Paschi Fiduciaria S.p.A., MPS Covered Bond S.r.l., MPS Covered Bond 2 S.r.l., Wise Dialog Bank S.p.A.

These companies constitute a single entity for VAT purposes, attributable to the “representative” (the Parent Company), with the attribution of a single VAT number. Consequently:

- all transactions between these companies are, as a rule, not relevant for VAT purposes, although some transactions between separate activities continues to be relevant;
- all legal obligations (settlement, payment, annual VAT return, and periodic communications) as well as the administrative (and criminal) liability are centralised within the Parent Company.

With regard to liability profiles, the other parties belonging to the VAT Group, on the other hand, are jointly and severally liable for the payment of tax, interest and penalties, regardless of the party to which any alleged violation is specifically attributable.

The Mediobanca Group has also had a VAT Group since 2019 and in 2025 it included 15 companies. These are Mediobanca S.p.A., Mediobanca Premier S.p.A., Compass Banca S.p.A., SelmaBipiemme Leasing S.p.A., Compass Link S.r.l., Mediobanca SGR, MBCredit Solutions S.p.A., Mediobanca Innovation Services S.C.p.A., MBfACTA S.p.A., Spafid S.p.A., Spafid Trust S.r.l., Compass Rent S.r.l., Mediobanca Covered Bond S.r.l., Quarzo S.r.l., and MBContact Solutions S.r.l.

Under the applicable provisions currently in force, only with effect from tax year 2027 will the above companies enter, by operation of law, the scope of the MPS VAT Group, with the simultaneous termination of the Mediobanca VAT Group. Accordingly, during 2026 the two VAT Groups may coexist (as confirmed by the Revenue Agency itself in reply to a ruling request submitted by subsidiary Mediobanca S.p.A.).

Tax disputes

For further information relative to tax disputes, please refer to “Section E of the Notes to the consolidated financial statements - 1.5 Operational Risks, “Main types of legal, employment law and tax risks”.

Research, Development and Innovation

Also in 2025, the Group's Research, Development and Innovation activity was focused on the search for and implementation of solutions aimed at Customers, with the objective of identifying innovative technologies and systems to improve processes and services through the adoption of increasingly efficient management and interaction models. In relation to internal processes, the digital and IT strategy focused on increasing levels of automation and procedural integration and on the dematerialisation of documents, ensuring compliance with regulatory developments.

The IT and IS strategic plan presided over the evolution of *Information Technology* and *Information Security* in terms of organisation, infrastructure, applications and security, in support of the objectives defined in the Industrial Plan. In particular, in the security area, initiatives were launched to strengthen the security posture in response to the evolution of information systems and infrastructure and, above all, to the ongoing threats arising from the external environment.

As at 31 December 2025, the *software* recognised under intangible assets amounted to a total of EUR 230.5 mln. excluding the Mediobanca Group's portion, equal to EUR 80.9 mln. The main projects refer to:

- Digitalisation Software Projects;
- Commercial Development Projects;
- Projects for Technological Renewal and Licences;
- Commercial Development Projects;
- Other Software Projects.

Outsourced services

The most important contracts for services performed in outsourcing by companies outside the Group are reported below.

Nexi (payment services)

ATM management for the MPS Group. The outsourcing agreement with NEXI PAYMENTS SPA was renewed effective 1 July 2025 and concerns services for the management of ATM equipment: in particular ATM terminal maintenance services, warehouse management, ATM activation and commissioning services and maintenance assistance, Help Desk and monitoring.

Provision of credit card management services. The MPS Group's credit card management agreement dates back to September 2012 and has been subject to additions and amendments over time. The services provided by Nexi concern a full outsourcing of the credit card issuance and management process.

Corporate Banking Interbancario. The agreement for the Interbank Corporate Banking Service - CBI Global Banking Web - was signed on 30 June 2011 and subsequently integrated and amended. The Service consists of all IT, technical and operational structures aimed at providing the functionalities envisaged in the ABI provisions through CBI S.c.p.a. Società Benefit, in particular:

- payment/collection management (SEPA compliant);
- document, reporting and reconciliation management.

The service establishes a direct channel between the Group's banks and their customers and allows users to:

- receive information relating to the relationships with their banks;
- forward the electronic instructions to the recipient banks.

Prepaid cards. The contract was signed in August 2019, renewed over time, and concerns the outsourcing of the management of "international" prepaid cards of the Business and Consumer types, including IT and Back Office services.

Payment services on international circuits referring to international debit cards. The purpose of the agreement signed in December 2020, renewed over time, is the performance by Nexi Payments S.p.A., as licensee for the payment circuits, of the activities related to the issue and management of payment services relating to debit cards with international circuits.

Fruendo and Accenture (back-office services)

The outsourcing arrangement is governed, effective 26 July 2021¹⁹, by the master service agreement (MSA), which concerns the provision of administrative, accounting and ancillary services by Fruendo to the Parent Company and its subsidiaries (Widiba and MPFiduciaria). The services covered by the MSA concern: Branch Assistance; Back Office Network (cheques, transfers, F24 proxies, CC extinctions, document centre, invoice advances, commercial collections, bills, transferability, other centralised services); Credit (back office litigation, centralised guarantee management, back-office intermediaries and third-party networks, other centralised credit services); Payment Document Management (passive cycle, condominiums and rents, utilities and taxes); Banking Investigations, Logistics (mail, clerks and doormen, car fleet); Attachments; Payment and Correspondent Services (foreign portfolio, correspondents, payment cards, collections, mortgages, successions, various services, back office Leasing and Factoring); Widiba (back-office Financial advisors, Transferability, Collections and other Widiba Operations). The MSA expires on 31 December 2031. The Parent Company has the right to withdraw with eighteen months' notice, to be communicated in the first two months of 2028, incurring a penalty. The fees for the services provided by Fruendo are fixed for the entire contract duration and decrease over time to take into account efficiency and expected technology developments.

Quinservizi and Centro Istruttorie (loan processing services)

Subsidiaries Mediobanca Premier and Compass have contracts in place with companies of the Multipli Group, namely Quinservizi Spa and Centro Istruttorie Spa respectively.

Centro Istruttorie provides Mediobanca Premier with specialist services supporting the mortgage loan disbursement process. In particular, the company carries out first-level underwriting analysis of mortgage applications, as well as technical assistance services during the mortgage agreement finalisation phase, contributing to the proper assessment of transactions and operational support for the Bank's structures.

Quinservizi provides assistance at the various underwriting stages in relation to Compass salary-backed loan applications (e.g. verification and digitisation of documents, preliminary underwriting, management of pending items, pre-approval and pre-disbursement).

¹⁹ The original agreement signed on 29 December 2013 with effect from 1 January 2014 between the Parent Company and, respectively, Fruendo and Accenture, as of 26 July 2021 (with effect from 1/1/2021), is governed by a single MSA that combines the two previous ones following the acquisition of control of Fruendo by Accenture and the subsequent transfer of the latter's contract to Fruendo.

Main risks and uncertainties

Risk identification

The Group's main risks and uncertainties, considering the integration of Mediobanca, are represented by credit risk, market risk (including interest rate risk on the banking book and issuer risk) and operational risk (including legal risk and cyber risk), participation risk, business and strategic risk, as well as liquidity risk for the components of funding risk and short term liquidity risk.

There are also other risks and uncertainties related to the potential outcomes of regulatory stress tests, supervisory authority assessments, reputational risk, risks related to the economic and political environment, real estate risks, and climate and environmental risks.

The risks classified as high as well as other risks to which the Group is exposed are described in more detail below.

Credit risk

Lending represents the Group's core business and the main risk component, accounting for about half of the Group's total risk-weighted assets (and more than half of the Group's Pillar 1 risk-weighted assets). The classification as high risk remained unchanged compared to the previous year, especially given the uncertainties intrinsic to the general and sector macroeconomic context.

In detail, the continuing Russia-Ukraine conflict and escalating tensions in the Middle East, with negative security and cost impacts on international trade, could have a negative impact on the ability of the Group's customers to meet their obligations and hence cause a significant deterioration in the credit quality of the Parent Company and/or the Group, with possible negative effects on activities and the financial situation of the Parent Company and/or the Group.

In addition, any fluctuations in real estate indices could lead to a reduction in the value of mortgage guarantees on loans disbursed which, together with the presence of counterparty insolvency events also due to the changed macroeconomic scenario, would determine the need for greater provisions with negative effects on the Group's results. Similarly, a deterioration in real estate sector performance could result in a decrease in the solvency of counterparties operating in construction, leasing and/or the purchase and sale of real estate which, impacting sale and/or lease prices, influences the economic and financial situations of the financed companies, triggering a deterioration in the credit quality of the Group's loan portfolio.

In this context, in 2025 the Group continued to monitor the entrusted companies operating in the real estate sector, while, on non-performing loans, it continued its activities aimed at containing the *stock* of NPLs.

Market risk

Market risk represents a significant risk factor for the Group, in view of the volatility of the main financial variables and the high degree of uncertainty that continues to characterise the reference macroeconomic and geopolitical context. From a macroeconomic standpoint, although the inflation rate in the euro area is close to the European Central Bank's target, the scenario remains characterised by subdued growth prospects and downside risks to economic activity, with possible repercussions for bond market trends and the level of credit spreads.

In this context, any unfavourable changes in monetary policy expectations or a resurgence of geopolitical tensions could lead to an increase in the volatility of interest rates and sovereign spreads. In particular, the Group's exposure to market risk is mainly attributable to sovereign positions in both the trading book and the banking book; during the financial year, the Parent Company recorded a reduction in overall exposures to Italian government bonds classified in FVOCI (Fair Value through Other Comprehensive Income) and a progressive diversification towards core European government bonds. The same considerations apply to Mediobanca's portfolio: an increase in interest rate volatility, combined with a widening of sovereign and financial credit spreads, could have considerable impacts on both the trading portfolio (invested mainly in financial securities) and the FVOCI banking book portfolio (mainly invested in Italian government bonds).

Among the points requiring attention are the exposure to and concentration in Italian government bonds in terms of issuer risk, for positions predominantly classified at amortised cost, and the related vulnerability of the portfolio to unfavourable changes in market conditions, in particular interest rates and the Italian credit spread, for securities in FVOCI. In this area, in order to preserve capital stability and mitigate volatility in regulatory capital, the Parent Company

exercised the option to apply the temporary prudential filter to the OCI reserves relating to government securities, in line with the prudential regulation in force, effective until December 2025²⁰.

During the first half of 2025, the ECB clearly accelerated the monetary easing phase, significantly reducing the Deposit Facility rate from 3% to 2% and the MRO rate from 3.15% to 2.15%. This dynamic was made possible by an inflation environment that had by then stabilised at around 2%, in line with the medium-term target, and by growing concerns over the resilience of economic growth, which was being put under pressure by mounting geopolitical tensions and the impact of US trade policies, in particular the introduction of new tariffs.

In this context, the Group's strategic choice to further reduce exposure to interest rate risk proved decisive in optimising and, at the same time, defending net interest income, safeguarding the economic value of capital over the medium to long term. Dynamic management of hedges on the asset side – both securities and commercial – combined with targeted actions on hedges of securities liabilities, made it possible to achieve an adequate level of sensitivity, both in terms of changes in projected net interest income and in terms of impact on the economic value of capital.

In light of the complexity of the global macroeconomic scenario, the Group's strategy will continue to be geared towards containing exposure to interest rate risk at current levels, while maintaining constant monitoring of market developments. If necessary, further actions will be implemented to protect net interest income, ensuring continuity in the protection of profitability and capital strength.

Operational risk

Operational risk is defined as the risk of incurring losses deriving from the inadequacy or the failure of processes, human resources, and internal systems, or from external events, including legal, conduct and IT & security risk. Heeding the Supervisory Authority's invitation to maintain a vigilant approach also in relation to the possibility that the geopolitical context, the evolution of the climate and environmental crisis, and the progressive adoption of new technologies could lead to the materialisation of extreme events, albeit unlikely, the level of operational risk is confirmed as high.

The aforementioned classification remained, conservatively, unchanged from the previous year despite the positive *trend* in civil and criminal judgments since the last quarter of 2023, especially with regard to legal disputes referring to: i) criminal proceedings no. 33714/16 concerning non-performing loans and ii) sales of non-performing loans, for which the uncertainties are linked to the outcome of the disputes still pending in relation to alleged breaches of contractual clauses (Representations & Warranties).

In consideration of the centrality of the information system and the technological innovations supporting its strategic plan, among the other components of operational risk, the Group pays particular attention to ICT and security risk, also due to the evolution of the regulatory context, technological developments and uncertainties linked to the continuous changes in the landscape of external threats. As part of the strengthening of the risk culture, staff training and awareness-raising on cyber risk are continuously carried out.

Participation risk

Participation risk is defined as the risk of incurring potential losses arising from changes in the value of equity investments as a result of changes in macroeconomic and market scenarios and the persistence of capital, earnings and/or financial imbalances. Participation risk is assessed, both currently and prospectively, using a model in line with regulatory requirements.

The main source of risk is the portfolio of equity investments held by the Group companies, which has increased since September considering the incorporation of Mediobanca.

Business and strategic risk

Business and strategic risk is defined as current and/or prospective risk of incurring unforeseen losses generated by high business volatility (business risk), incorrect strategic decisions and/or low response to changes in the competitive environment (strategic risk).

Although, at present, profitability indicators have proved more than in line with the 2024–2028 Plan (for further details see the section “2024-2028 Group Business Plan” of this consolidated report on operations), the rapid evolution of the

²⁰ See Article 468 of Regulation (EU) 2020/873, concerning the option, reintroduced by the new “CRR3” prudential rules, to neutralise from Regulatory Capital the positive and negative effects of the OCI reserve on government securities, previously in force from June 2020 to December 2022 as part of the measures in response to the pandemic.

economic and technological context represents a significant challenge for the Group and for its ability to develop the current business model in a manner suitable to maintain adequate recurring returns and ensure its long-term sustainability, even in a substantially different context, while at the same time maintaining adequate capital levels.

Against this backdrop, the Group analyses and reviews its strategic initiatives to respond to the changes underway, with a particular focus on the MPS–Mediobanca Combination Programme launched after the success of the OPAS, which aims to achieve full industrial and strategic combination between the two Groups.

Funding risk and liquidity risk

In general, during 2025, the Group's liquidity profile remained at very strong levels.

With regard to funding risk, the sustainability of the funding profile (understood as the ability to finance banking activities with stable resources) remains high, as evidenced by the levels of medium/long-term liquidity indicators.

With reference to short-term liquidity risk, after having experienced, in the past, phases of stress on liquidity, the Group has maintained short-term liquidity indicators at very high levels in recent years. As at 31 December 2025, the total amount of ECB auctions, including Mediobanca, amounted to EUR 10 bn (EUR 7 bn MRO and EUR 3 bn LTRO), up from EUR 8.5 bn at the end of December 2024.

Regardless of the adequacy levels, the classification of liquidity risk remains high due to its specific nature, as fast-moving, systematic or idiosyncratic crises may develop, with immediate and strong repercussions on both customer behaviour and market access.

Other risks and uncertainties

Risks associated with regulatory stress test exercises

As part of prudential supervisory activities, the ECB, in cooperation with the EBA and the other competent Supervisory Authorities, performs periodic stress tests on supervised banks in order to check bank resilience with respect to baseline and adverse macroeconomic scenarios. The impact of these tests depends on assessment methodologies, stress scenarios and the outcome of the quality assurance activities taken as a reference by the Supervisory Authorities. The Montepaschi Group is therefore exposed to the uncertainties arising from the outcome of these exercises, consisting of the possibility of incurring a potential tightening of the capital requirements to be met, if the results bring to light particular Group vulnerability to the stress scenarios employed by the Supervisory Authorities. It should be noted that the Group carried out the EBA EU-wide Stress Test held in the first half of 2025 and was included in the sample of banks called upon to carry out the next ECB Geopolitical Reverse Stress Test, in an integrated MPS–Mediobanca context, to be held in the first quarter of 2026.

Risks associated with audits by Supervisory Authorities

The Group is exposed to the risk that following assessments of the Supervisory Authorities, procedural gaps could be identified implying the need to adopt organisational measures and strengthen the oversight mechanisms aimed at making up for such gaps. Any inadequacy of the corrective actions and the remediation plans undertaken by the Bank to incorporate any Supervisory Authority recommendations could have significant negative effects on the Group's profit and loss, financial position and/or cash flows and possible penalty proceedings, including bans, with resulting reputational impacts.

Risks related to the economic-political context

The Group's results are influenced by the general economic context and the dynamics of the financial markets and, in particular, by the performance of the Italian economy.

In a phase of relative resilience of the global cycle, the environment remains complex and characterised by high uncertainty, linked to the evolution of geopolitical tensions and international trade policies. The ongoing conflict in Ukraine, tensions in the Middle East, recent US foreign policy, together with the protectionist measures that have resulted in higher import tariffs into the US being set for major partners and a continued use of tariffs as a lever of pressure, affect international and domestic growth prospects, with potential impacts on the Group's business dynamics. A possible intensification of protectionist policies, such as to amount to an outright trade war, could contribute to increasing global diplomatic tensions and accelerate the processes of fragmentation of the current structures of *global governance*, with effects on international trade, the resilience of the overall economic cycle, and market stability. Escalation of the ongoing

conflicts, with repercussions for energy markets and trade routes, poses a risk to the ongoing moderation of global inflation and could influence the monetary easing process currently underway at central banks. Should the re-alignment of prices towards target levels come to a halt, also due to tariff-related inflationary effects, the Authorities could be induced to bring key interest rates back to higher levels, with possible effects of slowing the economy and fuelling tensions in financial markets.

Strongly protectionist trade policies by the United States, together with a hypothetical and gradual withdrawal from climate, healthcare, and defence policies, tighter control over migration flows, and reduced efforts to contain public spending, potentially leading to a deterioration in federal debt, could negatively affect medium-term global growth. A return to a policy of spheres of influence, back in the spotlight after the removal of the Venezuelan President and territorial claims over Greenland, frictions in the Pacific area between China and Taiwan (and, recently, Japan), the continuation of the Russian offensive in Ukraine and the possible expansion of regional conflicts in the Middle East risk further fragmenting the international landscape and fuelling tensions. In Europe, difficulties remain in reaching consensus on key strategic matters such as the response to US tariffs, trade relations with China, support for Ukraine, fiscal policies, and the completion of the banking union and capital markets union. The absence of a fully operational common foreign and security policy could limit the European Union's ability to respond in a timely and coordinated manner to external shocks. Germany and France are respectively contending with the weakness of their industrial base and high public debt. Further risk factors for the global economic scenario also stem from the possibility that high growth expectations for the technology and AI sector could expose financial markets to sharp corrections in the event of disappointment in expected earnings, from the slowdown of the Chinese economy, influenced by the crisis in the domestic property market, from possible international currency tensions, and from the risk of a return of international terrorism.

At a domestic level, partial/delayed implementation, or non-implementation, of the measures envisaged by the revision of the NRRP (National Recovery and Resilience Plan), which is now approaching its deadline, could result in lower support for growth, in a context of still moderate domestic demand. The tightening required of national fiscal policy, in light of the entry into force of the reform of EU budgetary rules, could weigh on households' disposable income and corporate profits. At the same time, any perception that budget policy is not fully aligned with the objective of sustainable public finances could negatively affect the perception of country risk, fuelling a widening of the spread and tightening financing conditions. From an operational standpoint, and particularly in some economic sectors, Italy could be more adversely affected by increased tariffs on exports to the US, due to its strong trade ties with that market. Climate transition, technological innovation and demographic trends will also become increasingly important in the decisions of *policy makers*, with non-negligible impacts on national economic dynamics. Should such risks result in stagnation or a recession in the Italian economy in the medium term, this could negatively affect the main banking aggregates and there could be potentially significant impacts on the economic and financial position of the Bank and the Group. In particular, for the banking sector, there could be a contraction in demand for credit, a decrease in customer funding primarily with reference to businesses, a slowdown in ordinary banking activity, a deterioration in the loan portfolio with a simultaneous increase in the stock of non-performing loans and situations of insolvency, a deterioration in revenues and an increase in adjustments to receivables, with negative effects on the Group's business and economic, financial and equity situation. New inflationary pressures could also lead to an increase in operating costs.

Lastly, note that any significant deviations between the actual macroeconomic dynamics and those assumed in the long-term planning processes could have repercussions on the Group's operating results and future financial position.

Climate-related and environmental risks

The Group is exposed to environmental risks linked or not to climate change, which are divided into i) physical risk, i.e. the risk that extreme natural climatic events (acute physical risk), progressive climatic changes (chronic physical risk) or events affecting ecosystems (non-climatic physical environmental risk) may directly or indirectly cause material damage decline in productivity and disruption of the production chain with negative impact on both the ability of households and businesses to meet their financial commitments and on the value of collateral provided; and ii) transition risk arising from possible losses that an entity may incur, directly or indirectly, as a result of the adjustment process towards a "low-carbon economy" (climate transition risk) or towards a more sustainable use and impact of ecosystem assets (non-climate environmental transition risk).

In addition, physical and transitional environmental risks (climatic and non-climatic) may cause the Group to incur losses resulting directly or indirectly from lawsuits or generate reputational damage if the entity is perceived to be associated with activities or individuals that have caused significant damage to the ecosystem.

Additional elements – including quantitative information – on the risk factors typical of the Group's activities are contained in Part E of the Notes to the consolidated financial statements, to which reference is made.

Risks related to the integration of the Mediobanca Group

The nature of the transaction presents risks typical of merger transactions with particular reference, for example, to the necessary coordination of management, and the integration of IT systems, structures and services of the Mediobanca Group with those of the Montepaschi Group.

This could entail specific risk, including

- risks relating to an inefficient review of Corporate Governance;
- potential delays in integration activities, with negative impacts in terms of the efficiency, reliability and consistency of operating, administrative and control functions;
- risks inherent in the management of IT systems;
- the ability to retain and manage key individuals in the integration process and to maintain customer relationships during the integration phase.

The Montepaschi Group could incur additional legal, accounting and administrative costs related to the integration, as well as the risk of operational and reputational losses arising from the improper functioning of processes and technologies, with consequent negative effects on the Montepaschi Group's profit and loss, equity and financial position.

Financial risks and policies related to hedging activities

The financial risks to which the Group is exposed are credit risk, trading book market risk, interest rate risk of the banking book, exchange rate risk and liquidity risk.

Credit risk management

The advanced internal rating-based (AIRB) methodologies have been used for some time as part of the capital adequacy assessment process (ICAAP). More specifically, the Group has adopted the advanced methodologies (AIRB) starting with the 2008 supervisory reports and is currently authorised to use, for the corporate portfolio and retail exposures, internal estimates of PD, LGD and EAD on Banca MPS and Widiba.

The latest update/implementations relating to internal models are detailed below:

- Following the update to Regulation (EU) 2024/1623 (CRR 3 or CRR III, in force from 1 January 2025), the exposure classes eligible for the advanced AIRB methodology have been limited; in particular, this resulted for the Group in the move from the AIRB method to the FIRB method (internal models for PD only and the use of regulatory parameters for LGD and EAD/CCF) for exposures relating to large Corporates (consolidated turnover > EUR 500 mln). In addition, the CCF parameters internally estimated for defining EAD may only be applied to revolving exposures; for the remaining exposures, standard parameters are used;
- On 27 November 2025, the Parent Company received authorisation from the ECB in relation to the request to move from the AIRB method to the FIRB method for the regulatory segments "Other Corporates" and "SMEs". These changes, as per the ECB communication, will impact the first official reporting of the capital requirement in March 2026;
- On 19 December 2025, the Bank received Draft Decision IMI-2024-ITMPS-0241024 indicating authorisation for the implementation of the 2024 model change (MC24) and, at the same time, notification of findings relating to areas for model improvement. The implementation of the MC24 models has also been planned for reporting as at 31 March 2026;
- The acquisition of the Mediobanca Group entailed an obligation for the Parent Company to prepare a plan to return the IRB systems to compliance for the new Group (Return To Compliance plan – RTC). More specifically, by letter of 24 June 2025, the ECB informed MPS that it may continue to use the acquired entity's IRB system to calculate capital requirements on the Mediobanca Group IRB portfolio and requested submission of an RTC plan. In January 2026, the Parent Company submitted the RTC plan. The plan – currently under review by the ECB – provides, where appropriate, for a re-estimation of the models on the Group perimeter, taking into account the exposures of the Mediobanca Group entities.

In general, these internal models, as well as for reporting purposes, are used in various management processes for the Group's operating purposes.

Credit quality is part of a monthly monitoring process aimed at ensuring compliance with the thresholds established both within the RAF and in the credit policies in order to ensure ongoing consistency between the Group's actual risk profile and the risk appetite deliberately set ex-ante by the Board of Directors.

The annual RAF is formalised in the so-called "Risk Appetite Statement" (RAS) approved by the Board of Directors and based on a set of key risk indicators (KRI) defined at Group, legal entity and business unit level, including indicators aimed at monitoring the expected concentration levels on large exposures and related parties and which also make it possible to monitor the maximum level of exposure and therefore of RWA on individual counterparties.

As part of the RAS, the risk management and measurement systems put in place by the Group allow continuous monitoring of the risk profile and periodic reporting to the Corporate Bodies, with the activation of appropriate escalation and remediation mechanisms in the event of breaches of the relevant thresholds.

With regard to the processes and tools for managing and controlling the quality of the loan portfolio related to corporate and retail customers, a key element is internal ratings, which are calculated using differentiated models and estimated specifically by customer segment. The rating represents an evaluation, referring to a 12-month time horizon, carried out on the basis of all reasonably accessible information, of both a quantitative and qualitative nature, and expressed by means of a ranking on an ordinal scale, of the capacity of an entity entrusted or to be entrusted to honour contractual obligations.

Ratings play a central role in the processes of granting credit, providing credit products and monitoring and managing performance. In particular, it contributes to the determination of the bodies responsible for deciding on credit facilities,

influences the application of the automatic renewal mechanism for positions with revocable credit facilities and contributes to the automatic interception in the monitoring and management process.

The Group has always been committed to the acquisition of instruments for greater credit protection or the use of applications and techniques involving a reduction in credit risk. To this end, guarantees typical of banking business are acquired, when deemed necessary, i.e. mainly mortgages on real estate, collateral on securities as well as personal guarantees issued by guarantors. In general, the decision on the acquisition of a guarantee is based on the assessment of the customer's creditworthiness and on the characteristics of the transaction. After this analysis, it may be considered appropriate to raise additional collaterals for the purpose of risk mitigation, taking into account the presumed recoverable value offered by the collateral. On the other hand, with regard to the monitoring phase of the assets covered by the collateral, in particular real estate, the Group has a policy that establishes the amounts of the secured exposure and the age of the appraisal, beyond which the process of reappraisal of the assets is started. For exposures lower than the thresholds defined, the Group in any event conducts half-yearly monitoring of the property value based on market data.

For more information on this risk and related controls, please refer to Part E "Information on risks and related hedging policies", section 1.1 Credit risk of the Notes to the consolidated financial statements. Lastly, with reference to the quantitative aspects regarding the degree of exposure of the Group to credit risk and the quality of credit, please refer to section A. Credit quality, Quantitative information of the aforementioned Part E and to the information on "Non-performing exposures of loans to customers" included in the section "Reclassified balance sheet" of this Report on Operations.

Management of market risk of the trading book

Market risk is the risk that the Bank will incur lower revenues than expected, impairment of balance sheet items or capital losses relating to the financial positions held, due to significant and adverse changes in market conditions and in particular in interest rates interest, share prices, exchange rates, commodities and related volatilities and correlations (generic risk), or due to the occurrence of factors that compromise the issuer's ability to repay (default risk) or that in any case involve a change in solvency of the issuer itself (credit spread risk). Market risk occurs both in relation to the trading book, including financial instruments held for trading and the related derivative instruments, to the banking book, which includes financial assets and liabilities recorded differently from those making up the trading book.

The activity of monitoring the management of interest rate risk and price risk, aimed at identifying the different types of risks, defining the methodologies for measuring them, controlling the limits at a strategic level and the consistency of their operations with the assigned risk/return objectives, is carried out in the Parent Company and in Mediobanca, under the responsibility of the Risk Management Function.

The monitoring of the above-mentioned risks is carried out using both deterministic indicators, such as sensitivity to market risk factors, and probabilistic indicators such as VaR (Value at Risk), which is a measure of maximum potential loss of the portfolio within a certain time period and with a given level of confidence.

VaR for management purposes is calculated using the internal risk measurement model implemented by the aforementioned function in compliance with international best practices. For reporting purposes only, in the area of market risks, the Group uses the standardised methodology. Periodically, information on market risks is transmitted to the Risk Management Committee and to the Top Bodies as part of the information flows with which Top Management and the Governing Bodies are informed about the Group's overall risk profile.

During 2025, the market risks of the Group's Regulatory Trading Book, net of Mediobanca Group, showed, in terms of VaR, a trend determined mainly by proprietary trading activities in the Credit Spread and Interest Rate segments (transactions in Italian government securities and hedges via swaps and long futures) and, to a lesser extent, by client-driven activities in the equity and credit spread segments related to the structuring of bancassurance and certificates products.

The Group's VaR has remained at slightly lower average levels compared to the previous year, by virtue of maintaining a general process of risk containment.

For more information on VaR measures and sensitivity analyses, please refer to section 1.2.1 Interest rate risk and price risk - Regulatory Trading Book in the Notes to the consolidated financial statements.

Management of interest rate risk of the banking book

Interest rate risk relating to the banking book mainly arises from the core activity carried out as an intermediary engaged in the transformation of maturities process, and from the financial activity of Asset Liability Management - ALM (treasury and hedging derivatives).

Risk monitoring and control activities are carried out by the Risk Management function and aim to verify compliance with the limits set in terms of changes in net interest income and in the economic value of the banking book.

As at 31 December 2025, the corporate, organisational and governance structures of the Montepaschi Group, following the acquisition and control of Mediobanca and its subsidiaries, were still being defined.

The Group adopted an interest rate risk governance and management system, known as the IRRBB Framework, structured as follows:

- a quantitative model, on the basis of which the exposure of the Group and the individual companies to interest rate risk is calculated in terms of risk indicators;
- risk monitoring processes, aimed at periodically verifying compliance with the operational limits (risk limits and risk tolerance) assigned to the Group as a whole and to the individual legal entities within the RAS;
- risk control and management processes, geared toward bringing about adequate initiatives for optimising the risk profile and activating any necessary corrective actions in the case of exceptions from and/or misalignments with the IRRBB Strategy.

Within the defined model, the Finance, Treasury and Capital Management function (FTCM) of the Parent Company is responsible for the operational management of the Group's overall interest rate and liquidity risk.

As part of the monitoring of interest rate risk, in particular the risk measures used internally are:

- the change in expected net interest income over 1 year following a parallel shock of the spot rate curves of +/- 100 bps. As at 31 December 2025, this sensitivity shows a value of EUR -145.8 mln, of which EUR -38.0 mln relates to the contribution of the Mediobanca Group. On a consolidated basis, net of the Mediobanca Group, the negative net interest income sensitivity, for a parallel shift of the rate curves of -100 bps, shows in 2025 an average value of EUR -140.3 mln, with a maximum value of EUR -171.0 mln and a minimum of EUR -107.9 mln.
- the change in the economic value as a result of a parallel shock of the spot rate curves of +/- 100 bps in relation to Own Funds (equity perspective). The amount of economic value at risk stood, at the end of 2025, at EUR -497.5 mln. On a consolidated basis, net of the Mediobanca Group, the negative sensitivity of the economic value at risk, for a parallel shift of the rate curves of +100 bps, shows in 2025 an average value of EUR -369.2 mln, with a minimum of EUR -306.6 mln and a maximum value of EUR -471.0 mln.

For further information, please refer to section 1.2.2 Interest rate risk and price risk - Banking book in the Notes to the consolidated financial statements.

Exchange rate risk management

Foreign exchange operations are mainly based on short-term trading, with the systematic balance of the transactions originated by the franchise and the retail banks which automatically feed into the Group's position.

With regard to the methods for measuring and controlling the exchange rate risk generated by the trading book, please refer to the previous paragraph on Market risk of the trading book.

For further information, please refer to section 1.2.3 Exchange rate risk in the Notes to the consolidated financial statements.

Liquidity Risk Management

Liquidity risk is the risk that the Group may not be able to meet its payment commitments, certain or expected with reasonable certainty. Two manifestations of liquidity risk are normally identified: (i) the risk that the Group will not be able, in the short term (liquidity) and/or in the long term (funding), to meet its payment commitments and obligations

efficiently; (ii) the risk that the Group may not be able to liquidate an asset without incurring capital losses due to the shallowness of the relevant market and/or as a result of the timing of the transaction.

Liquidity risk is managed and monitored as part of the Internal Liquidity Adequacy Assessment Process (ILAAP), which represents the process by which the Group identifies, measures, monitors, mitigates and reports its liquidity risk profile. As part of this process, the Group carries out an annual self-assessment of the adequacy of the overall liquidity risk management and measurement framework, which also includes governance, methodologies, information systems, measurement and reporting tools. The results of the assessment of the adequacy of the risk profile and the overall self-assessment are reported to the corporate bodies and brought to the attention of the Supervisory Authority.

As at 31 December 2025, the corporate, organisational and governance structures of the Montepaschi Group, following the acquisition and control of Mediobanca and its subsidiaries, were being defined.

The management of liquidity is centralised at the Parent Company. The monitoring and control of liquidity risk is carried out on a daily basis (short-term liquidity) and monthly (structural liquidity) and has the objective of monitoring the evolution of the risk profile by verifying its adequacy with respect to the Risk Appetite Framework and operating limits. In particular, the Group uses a monitoring system that includes both short-term and long-term liquidity indicators. To this end, both regulatory metrics (LCR, NSFR) and metrics developed internally are used, including the use of behavioural and/or optional parameter estimation models.

During 2025, the Group's liquidity and *funding* profile was higher than the regulatory and internal risk limits.

For more information on this risk and related safeguards, as well as on the time distribution by contractual residual maturity of financial assets and liabilities, please refer to the qualitative and quantitative information included in Section 1.4 Liquidity Risk of the Notes to the consolidated financial statements.

Information on employment law, tax and complaints risks

The Group carefully examines and monitors the risks inherent in or connected to legal disputes, meaning those brought before judicial authorities and arbitrators, and out-of-court claims, making specific allocations to provisions for risks and charges, using statistical or analytical criteria, in the presence of disputes and out-of-court claims with a “likely” risk.

The following were pending as at 31 December 2025:

- legal disputes with total relief sought, where quantified, of EUR 2,949.6 mln, of which approximately EUR 1,442.2 mln as a total amount claimed relating to disputes classified as a “likely” risk, for which provisions for EUR 428.3 mln are recognised and approximately EUR 1,507.4 mln as a total amount claimed attributed to disputes classified as having “possible” risk;
- out-of-court claims for total relief sought, where quantified, of approximately EUR 66.4 mln, of which EUR 48.1 mln classified as a “likely” risk of losing the case and EUR 18.3 mln as a “possible” risk of losing the case.

The most significant events in 2025 refer to:

- bankruptcy clawback actions, anatocism and interest, for a total relief sought of EUR 165.8 mln, of which EUR 164.5 mln at “likely” risk of losing and EUR 1.3 mln at “possible” risk of losing;
- derivatives for a total relief sought of EUR 54.2 mln, of which EUR 47.5 mln at “likely” risk of losing and EUR 6.7 mln at “possible” risk of losing;
- financial information disclosed in previous financial years, for a total relief sought quantifiable at EUR 1,157 mln, broken down as follows:

Type	31/12/25	30/09/25	30/06/25	31/03/25	31/12/24
Civil dispute	674	674	674	674	674
Filed civil claim cp 955/16	-	-	-	-	160
Filed civil claim cp 33714/16 and cp 29877/22	483	483	483	509	509
Total legal proceedings	1,157	1,157	1,157	1,183	1,343

With reference to criminal proceedings, it is noted:

- the definition of CP 955/16. Specifically, the total amount claimed of EUR 160 mln referred to therein was extinguished following the ruling of the Fifth Chamber of the Court of Cassation on 20 February 2025, which rejected the appeals of the Attorney General and the civil party Bluebell Capital Partners, confirming the ruling of the Milan Court of Appeal of 11 December 2023 acquitting the defendants and the Parent Company;
- in case CP 29877/22, at the hearing on 20 January 2025, the Preliminary Hearing Judge ordered its joining with the case PP 33714/16. Furthermore, by judgment dated 6 June 2025, the Preliminary Hearing Judge issued a ruling of no case to answer with respect to the defendants subject to mandatory prosecution. As a result, this decision prevents the civil parties from bringing compensation claims against the Bank as the civilly liable party, leading to the elimination of the related amount claimed.

Risks for tax (an overall relief sought of EUR 88.7 mln, of which EUR 70.5 mln for a “likely” risk of losing the case) and employment law (an overall relief sought of EUR 21.8 mln, of which EUR 16.2 mln for a “likely” risk of losing the case) are also subject to monitoring and evaluation by the competent Group functions, and in the event of disputes with “likely” risk, appropriate allocations are made to the provision for risks and charges.

With regard to other legal risks not attributable to litigation, indemnities are envisaged to be paid to the transferee counterparties of non-performing loan portfolios if the representations and warranties (R&W) issued as part of the sale transaction turned out not to be true. The total relief sought for these transactions as at 31 December 2025 amounted to EUR 273.4 mln, of which around EUR 58.9 mln classified as a “likely” risk of losing and around EUR 214.5 mln as a “possible” risk of losing.

For further information, please refer to Part E of the Notes to the consolidated financial statements - 1.5 Operational Risks, “Main types of legal, employment law and tax risks”.

Information on complaints and appeals

Claims management represents: (i) an essential activity in managing the relationship with customers; (ii) a tool for identifying any critical issues and improving the quality of products/services provided; (iii) a useful safeguard in protecting the customer, both to encourage amicable resolution of disputes, and to define, in cases where this does not occur, the parties' positions, conducting an initial investigation before pursuing the dispute in other judicial settings.

The Group makes available to customers, on its own website, on the websites of its subsidiaries and also at all branches, information on the procedures for handling complaints – in order to publicise the methods for submitting complaints and the time required for their management – as well as on the main out-of-court dispute resolution systems currently available in Italy (so-called Alternative Dispute Resolution, ADR), to which it adheres. These systems are the Arbitro Bancario Finanziario (ABF), Arbitro per le Controversie Finanziarie (ACF) and the various mediation entities registered with the Ministry of Justice.

In 2025, the Group received overall around 18,000 complaints (12,250 received by Compass, 1,640 by MB Premier and 4,606 by the rest of the Group), mainly relating to:

- issues connected with the application of economic conditions on home mortgages, current accounts and other loans (e.g., "floor" clauses in variable-rate mortgage agreements indexed to the Euribor rate, various forms of alleged unlawfulness of interest applied to current accounts and other loans);
- issues relating to credit facilities (e.g. reports to the Central Credit Register, refusal of loan applications);
- errors/delays in the execution of transactions on current accounts, mortgages, credit facilities and loans, as well as in the dispatch of cards, codes and various documentation;
- issues relating to settlement of the debt, debt collection, and privacy matters;
- complaints relating to administrative/organisational/accounting aspects;
- fraud and loss of cards and payment systems, including bank transfers;
- alleged shortcomings in the pre-contractual information provided to customers who carried out transactions in shares and bonds, and delays in transfers of financial instruments;
- complaints relating to the nullity of the agreement concerning revolving cards distributed by an allegedly unauthorised party (consumer credit dealer).

During the year, the Group dealt with 18,253 complaints, with upheld rates of over 20%. The areas in which the highest number of outcomes favourable to customers was recorded were current accounts, the processing of personal data, loans and administrative/organisational aspects.

There were 696 ABF appeals received and registered during the year, while the decisions were 654; around half of the latter were favourable to the Group companies.

ACF appeals dealt with during 2025 amounted to 43 and decisions totalled 76, of which over 55% had an outcome favourable to the Group companies; no ACF appeals were settled by way of transaction.

Inspection activities and procedures of the Supervisory Authorities

In the normal course of business, the Group is subject to audits by the Supervisory Authorities. In particular, within the European banking supervisory system (Single Supervisory Mechanism), the Group is subject to prudential supervision by the European Central Bank (ECB); with reference to specific issues, supervisory activities are the direct responsibility of the Bank of Italy and Consob.

At the date of this report, as explained in detail below, some inspections are still ongoing (some of which were initiated in earlier periods) or awaiting the receipt of the Final Follow-up Letter or Final Decision from the ECB, while for others only the completion of corrective actions remains. In cases where the inspections involved aspects with a potential impact on the financial statements, the observations made, as well as the information acquired throughout the process, were duly taken into account, where relevant, in the assessment of the company's assets/liabilities. In cases where the inspections highlighted areas for improvement in the processes examined, the Group prepared specific corrective action plans.

Internal Governance and Risk Management Investigation Activity (OSI 0259894)

In February 2025, the ECB initiated an on-site inspection of internal governance and risk management, with the aim of verifying the related governance and risk management processes implemented by the Parent Company. The activity ended in May 2025; the Parent Company received the inspection report on 7 October 2025, which identified nine findings, and is awaiting the follow-up letter setting out the associated recommendations.

Supervisory monitor assessment of the implementation of the remedial action plan for climate and environmental risks

On 1 August 2025, the ECB sent the Parent Company a feedback letter relating to the outcome of the assessment conducted on the activities implemented as at 31 December 2024 following the thematic review on climate and environmental risks carried out from 2022; some issues emerged concerning the need for further strengthening of the framework for climate and environmental risks. The resulting actions, already outlined and planned, will be implemented, as required in the aforementioned letter, by 31 March 2026. It should be noted that Mediobanca also received a similar letter from the ECB on 22 July 2025. The remedial actions for the remaining three recommendations have been defined by the bank in line with supervisory expectations are being implemented and completed by the end of 2026.

Cyber Resiliency Stress Test 2024

The Parent Company was selected by the ECB to participate in the 2024 cyber resiliency stress test, aimed at assessing the digital operational resilience of significant entities in the event of a serious cyber security threat. The ECB informed the Parent Company of the outcome of the exercise during July 2024, reporting five findings: As at 31 December 2025, the Parent Company completed the implementation of the remedial actions required by the ECB.

Cyber Resilience Targeted Review

During the second half of 2024, the Bank was included in a *Targeted Review* on "Cyber Resilience"; the Parent Company responded to the questionnaire in October 2024 and on 29 August 2025 received the final outcome of the reviews, which identified seven *findings* for Banca MPS and WIDIBA; As at 31 December 2025, the Parent Company completed the implementation of the remedial actions required by the ECB.

UTP Deep Dive

In October 2024, the Bank was included in a Deep Dive on UTP loans, with *focus* on governance and monitoring processes and with a specific *credit file review*; on 27 May 2025, the Parent Company received the *follow-up letter*, which identified four findings; on 26 June 2025, the Parent Company's Board of Directors approved the remedial action plan, which was implemented during 2025, in line with the deadlines indicated by the Supervisory Authority.

Outsourcing Targeted Review

During October 2024, the ECB initiated a *Targeted Review* on the *outsourcing* processes implemented by the Bank; on 15 May 2025, the Bank received a communication on the outcome of a supervisory review, identifying six findings; on 26 June 2025, the Parent Company's Board of Directors approved the remedial action plan, which was implemented during 2025, in line with the deadlines indicated by the Supervisory Authority.

Funding Plan feasibility Targeted Review

On 4 November 2024, the Bank received the outcome of the *Targeted Review on the funding plan*, conducted in the second half of 2023, which raised three *findings*; the Bank subsequently implemented the required remedial actions within the indicated deadlines. Following a further ECB request to strengthen the processes examined, additional activities have arisen, which will be completed by 31 July 2026.

Deep Dive on Digital Transformation

During the second half of 2024, the Bank was included in a Deep Dive audit on the digital transformation process, in order to verify the adherence of the implemented strategy/processes to the expectations of the Supervisory Authority. On 23 May 2025, the Parent Company received the ECB Feedback Letter on the outcome of the reviews, which identified two findings and five points of attention which the Parent Company addressed during 2025 through specific remedial actions.

Audit on internal models - Internal Model Investigation (IMI-2024-ITMPS-0241024)

Between December 2024 and March 2025, the ECB carried out an on-site inspection for approval of the authorisation application submitted by the Parent Company for the application of a material model change in the credit risk models. On 6 August 2025, the Parent Company received the final report with the outcome of the reviews, in which the closure of the findings and obligations on the PD and LGD parameters previously opened in inspections IMI-2022-ITMPS-0197502 and IMI-2023 ITMPS-0227377 was formalised; in parallel, new points of attention were identified, formalised through the notification of sixteen findings. On 16 February 2026, the Parent Company received the Final Decision, which identified four obligations and revised the scope of the limitation already in place (equal to +5% of RWA); the current limitation, which covered the entire scope of the AIRB models, was limited to the scope of retail loans only, thereby reducing its significance in terms of RWA.

Credit and counterparty risk audit (OSI 0240556)

During the period from November 2024 to March 2025, the ECB performed an on-site credit and counterparty risk inspection of the SME segment, with the main objectives of verifying compliance with IFRS 9, examining credit processes and performing a specific credit quality review. On 12 June 2025, the ECB sent the inspection report concerning the activities carried out, which identified eight findings. The Parent Company received in September 2025 the follow-up letter indicating the remedial actions expected, which will need to be addressed during 2026, based on the remedial plan approved by the Parent Company's Board of Directors in November 2025.

IT risk audit activity (OSI 0259894)

In October 2025, the ECB initiated an on-site inspection of the IT infrastructure management processes and the related logical security processes; the audits were completed in January 2026.

ECB Geopolitical Risk Reverse Stress Test 2026

The Parent Company was selected by the ECB among the participants in the 2026 reverse stress test exercise on geopolitical risks, aimed at assessing banks' ability to integrate this type of risk into their risk management systems. The exercise will continue throughout 2026.

Bank of Italy Branch Inspection on PAD Directive

In October 2024, a branch inspection visit was initiated by the Bank of Italy to investigate compliance with the implementing provisions of Directive 2014/92/EU (Payment Accounts Directive - PAD) on 12 selected branches within 4 regions (Tuscany, Lombardy, Apulia and Calabria). The visit concluded in December 2024 and on 7 April 2025 the Parent Company received the final report from the Bank of Italy. The audit did not reveal any critical issues but only requests for changes to the process to increase the level of compliance with the PAD regulations. On 8 May, the Parent Company's Board of Directors approved the action plan, which was sent to the Supervisory Authority via certified email (PEC) on 14 May. On 24 September 2025, the Supervisory Authority submitted an additional request, to which the Bank responded within the 60-day deadline. The new requests resulted in minor additions to the action plan.

Supervisory activities and conclusion of Consob sanction proceedings on EMIR reporting

On 30 May 2025, following the conclusion of the sanctioning procedure initiated by Consob on 12 September 2024 for a breach of Article 9 of Regulation (EU) 648/2012 (EMIR Regulation) concerning certain errors in derivative contract reporting, the Authority imposed an administrative fine of EUR 75,000 on the Bank. The Bank has already adopted and implemented appropriate measures to address the issues raised. The Bank duly paid the fine within the prescribed time limits.

Bank of Italy and FIU audit on anti-money laundering

From 2023, the Supervisory Authority launched a series of annual meetings with all banks classified as "significant", with the aim of having a complete view of the anti-money laundering segment (AML-CFT).

In this context, between April and May 2024, the Authority asked the Parent Company for further information on the strengthening initiatives planned as a result of the findings from previous audits, after which it highlighted certain areas for improvement, duly taken into consideration by the Parent Company which, on 20 June 2024, sent the Bank of Italy a response letter with a description of the remedial measures envisaged in a specific Plan, previously approved by the Board of Directors.

From 10 June 2024, the Bank of Italy's Anti-Money Laundering Supervision and Regulations Unit launched an on-site inspection of a survey/thematic type, with the main focus on the customer due diligence renewal process; it concluded on 9 August 2024 and the results were made known on 12 December 2024. With regard to these, on 24 January 2025, the Parent Company sent the Supervisory Authority its comments on the observations made, also providing information on measures already adopted and those it intended to adopt, measures previously approved by the Board of Directors.

On 11 December 2025, the Anti-Money Laundering Supervision and Regulations Unit requested the Parent Company to provide an update on the achievement of the objectives previously communicated and the related progress status, while also providing guidance for the activities underway and to be planned for 2026. In response to this request, the Parent Company is preparing the reply, which will be sent within the indicated timeframes, subject to approval by the Board of Directors.

Bank of Italy inspection on the adequacy of governance, organisational, and control arrangements regarding customer protection

On 19 May 2025, the Bank of Italy initiated an inspection at the Parent Company on "the adequacy of governance, organisational and control arrangements in overseeing customer protection matters", the on-site phase of which was completed by the planned deadline of 1 August 2025. The Supervisory Authority communicated the outcome of the inspection visit at the Board of Directors' meeting on 18 December 2025. The inspection report concluded with a partially favourable assessment, based on substantially adequate attention to customer protection matters. The minutes confirmed the strengthening actions already announced when the on-site phase of the inspection was closed. As from September, the Parent Company structured an action plan, partly already implemented, aimed at addressing the matters reported by the Bank of Italy.

Inspection activity on the management of cybersecurity and related aspects (OSI-2024-ITMDB-0241584) – Mediobanca

During the period from May to September 2024, the ECB carried out an on-site inspection with the aim of assessing the adequacy of the management of cybersecurity, mainly focused on the sub-consolidated level and on the subsidiaries identified as most relevant to the scope of the investigation, such as Mediobanca Innovation Services, the Group's IT service provider, Mediobanca Premier and Compass Banca. On 15 January 2025, Mediobanca received the inspection report, which identified areas for improvement.

On 10 February 2026, Mediobanca received the final follow-up letter indicating the Supervisory Authority's expectations on seventeen recommendations and the related implementation timelines. It was requested to submit an action plan by March and subsequently to carry out a self-assessment and a gap analysis by June, aimed at assessing which areas for improvement identified at Mediobanca are also applicable at Montepaschi level.

Inspection activity on internal models - Internal Model Investigation on the Compass Banca internal model for Consumer Loans and Credit Cards (IMI-2025-ITMDB-0265429)

Between October and December 2025, the ECB carried out an inspection aimed at authorising material changes to the AIRB (Advanced Internal Rating-Based) internal models of the Consumer Loans and Credit Cards portfolios within the Compass Banca scope, for the purpose of calculating capital requirements for credit risk, both on an individual and a consolidated basis. The Bank is awaiting receipt of the inspection team's assessment report.

Inspection activity on internal models - Internal Model Investigation on Mediobanca's PD Large Corporate internal model (IMI-2024-ITMDB-0241763)

Between September and November 2024, the ECB carried out an on-site inspection for approval of the authorisation application submitted by Mediobanca for material changes to the Probability of Default (PD) model of its Large Corporate portfolio for calculating capital requirements for credit risk. In July 2025, Mediobanca received from the ECB the decision letter authorising the changes to the internal model, highlighting one limitation and 4 obligations. In this regard, it should be noted that the limitation and the related obligation were addressed through an ex-ante notification in December 2025, with implementation in the first quarter of 2026.

ICAAP Inspection activity – Mediobanca (OSI-2025-ITMDB-0259691)

On 20 March 2025, Mediobanca received a notification letter relating to an on-site inspection concerning capital adequacy, aimed at assessing the ICAAP. The inspection was carried out from 5 May 2025 to 25 July 2025. The subsidiary is awaiting the follow-up letter in which, based on the findings identified in the inspection report received in November 2025, the supervisor's recommendations to be implemented will be set out.

Inspection activity on credit and counterparty risk - Mediobanca (OSI-2023-ITMDB-0221207)

Between 25 September 2023 and 26 January 2024, the ECB carried out an inspection on credit and counterparty risk, aimed at assessing the processes for identifying, managing, monitoring and controlling credit risk. Following the inspection report shared with the bank on 2 July 2024, the ECB sent the final follow-up letter on 30 June 2025, setting out the areas for improvement and the recommendations to be implemented. Mediobanca is continuing to address three ECB findings, which will be closed by 2026.

Outcomes of the Bank of Italy's off-site supervisory activity on anti-money laundering – Mediobanca

From 2023, the Supervisory Authority has launched a series of annual meetings with all banks classified as "significant", with the aim of obtaining a complete view of the anti-money laundering (AML-CFT) sector. As part of this initiative, on 5 June 2025 Mediobanca received a letter from the Authority with the outcomes of the supervisory activity carried out in 2024. The analysis highlighted certain areas for improvement in relation to specific Group companies and with regard to Mediobanca's role of supervision and coordination over its subsidiaries. On 7 August 2025, following presentation to the Board of Directors, Mediobanca sent its response letter to the Bank of Italy, providing the Supervisory Authority with its observations on the findings raised and also reporting on the measures already adopted and those it intends to adopt.

Branch inspection on the MCD Directive – Mediobanca Premier

In May 2025, the Bank of Italy launched an on-site branch inspection on compliance with the provisions of the “MCD” Directive (2014/17/EU) at 8 Mediobanca Premier branches. At the end of October 2025, the Bank of Italy sent the final report, which highlighted certain findings and areas for improvement, mainly related to the clarity of information provided. Mediobanca Premier defined a remedial action plan and provided feedback to the Authority on 30 January 2026.

Branch inspection on cash handling – Mediobanca Premier

Between March and April 2025, the Bank of Italy carried out an on-site inspection to verify the compliance of the automatic devices used to check and recirculate banknotes (ATMs and TACRs), as well as the processes for handling cases of suspected counterfeiting. The review covered a sample of 8 Mediobanca Premier branches. To date, there has been no follow-up from the Authority.

Privacy inspection on access control – Mediobanca Premier

In February 2025, the Personal Data Protection Authority carried out an inspection aimed at verifying compliance with the provisions on personal data protection, with particular attention to the system controlling operators’ access to customer data. To date, there has been no follow-up from the Authority.

Bank of Italy inspection on transparency – Compass

Between October and December 2024, the Bank of Italy carried out an inspection on transparency. On 27 June 2025, the final report was received from the Authority, which highlighted 5 findings, of which 4 relate to management aspects and 1 to compliance (in relation to the Lexitor issue). Compass Banca submitted its counter-observations on 19 September and launched a remediation plan, to be finalised by 30 June 2026. As at 31 December 2025, Compass Banca completed, in line with the plan, 10 of the 17 actions identified.

ACPR inspection of CMB

Between February and May 2024, the ACPR (Banque de France) carried out an inspection focusing on CMB’s business and risk management. CMB received the inspection report on 9 September 2024 and the follow-up letter on 10 November 2025, to which CMB responded on 9 January 2026. In view of the areas for improvement identified, a remedial plan consisting of several points was drawn up, with deadlines falling by 31 March 2026.

Regulatory Developments

With reference to the prudential supervisory regulatory framework, as from 1 January 2025 banks are required to apply the provisions of Regulation (EU) 2024/1623 (CRR3), which amends Regulation (EU) No 575/2013.

The CRR3 Regulation introduced a number of new provisions in the area of credit risk, allowing banks to make use of certain transitional provisions in order to phase in the capital impacts.

In this regard, in the period 2025-2032 the following provisions are relevant for the MPS Group:

- transitional treatment for unconditionally cancellable commitments, allowing a CCF of 0% to be applied to the exposure value, instead of a 10% CCF, in the period 2025-2029, 2.5% in 2030, 5% in 2031, 7.5% in 2032 and 10% as from 1 January 2033;
- transitional regime for exposures in equity instruments, distinguishing between:
 - “non-speculative” equity instruments, to which a risk weight of 100% applies in 2025, 130% in 2026, 160% in 2027, 190% in 2028, 220% in 2029 and 250% as from 2030;
 - “speculative” equity instruments, to which a risk weight of 100% applies in 2025, 160% in 2026, 220% in 2027, 280% in 2028, 340% in 2029 and 400% as from 2030.

Within the internal ratings-based approach to credit risk, the EBA guidelines on the calculation methodology for obtaining internal estimates of credit conversion factors (CCF) are expected to be published, which may have an impact on the current rules for estimating this parameter.

With regard to the own funds requirement for market risk, Delegated Regulation (EU) 2025/1946 published in the Official Journal of the EU on 19 September 2025 postponed the application of the Fundamental Review of the Trading Book (FRTB) to 1 January 2027, compared with the 1 January 2025 date envisaged by CRR3; to date, FRTB has been introduced in Europe (under CRR2) solely for reporting purposes.

With regard to the calculation of the capital requirement for operational risk using the standardised approach, introduced by CRR3 in place of the methods in force as at 31 December 2024, the RTS and ITS on the calculation of the Business Indicator are expected to be published in the coming months.

CRR3 also introduced a transitional prudential treatment for exposures to crypto-assets, which will be reviewed following publication in the Official Journal of the RTS of the EBA specifying how to calculate own funds requirements for such exposures.

Lastly, it should be noted that the Directive (EU) 2024/1619 (**CRD VI**), which amends Directive (EU) 2013/36, was transposed into Italian law by Legislative Decree of 31 December 2025, whose provisions apply as from 11 January 2026.

With reference to the prudential framework for securitisations, on 17 June 2025 the European Commission published a legislative package with measures to simplify the European regulatory framework applicable to securitisations. The Commission’s review includes amendments to Regulation (EU) 2017/2402 (the “Securitisation Regulation”) and Regulation (EU) 575/2013 (the “CRR”), as well as the delegated acts on LCR and Solvency II.

The review of the Securitisation Regulation concerns: (i) the applicability of the Regulation to the manager or “servicer”; (ii) the definition of public and private securitisation; (iii) due diligence obligations for institutional investors; (iv) risk retention; (v) transparency obligations for originators, sponsors and SSPEs; (vi) securitisation repositories.

The CRR review provides for (i) a partial revision of the formulas for calculating risk weights (RW); (ii) the introduction of differentiated parameters between “originator”, “sponsor” and “investor”; (iii) a reduction in the floor levels for “senior” tranches; and (iv) the introduction of so-called “resilient” securitisations (for which lower risk weights would be envisaged).

Based on the regulatory framework currently known, the Group does not expect the new provisions to have a significant impact on capital requirements.

New tax regulations

Set out below are the most significant regulatory measures for the Group in terms of taxation introduced during 2025.

2026 Budget Law (Law No. 199 of 30/12/2026)

Building Bonus Initiatives

Article 1, paragraph 22, of the 2026 Budget Law has confirmed the extension of the tax relief for interventions aimed at the recovery of building heritage, the energy requalification of buildings (*ecobonus*) and the reduction of seismic risk (*sismabonus*), with different rates depending on whether the real estate unit is intended as a main residence or not (respectively 50% or 36% for expenses incurred in 2025 and 2026 and 36% or 30% for expenses incurred in 2027).

With regard to the balances of loans acquired by the Group as at 31 December 2025, please refer to Section 13 - Other assets - Item 130– Part B – Balance Sheet Information.

Release of reserves under tax suspension

Article 1, paragraph 44, of Law No. 199 of 30 December 2025 (the so-called “2026 Budget Law”) has introduced the release of reserves and funds under tax suspension existing in the financial statements for the financial year ending 31 December 2024 and remaining at the end of the financial year as at 31 December 2025. Such reserves may be released, in whole or in part, by applying a substitute tax in lieu of income tax and the regional tax on productive activities (IRAP) at a rate of 10%.

Changes to the calculation of the net value of production – 95% exclusion of dividends

Article 1 paragraph 46 of 2026 Budget Law has introduced an amendment to Articles 6 and 7 of Legislative Decree No. 446 of 1997 (the so-called IRAP Decree), applicable from the tax period ending 31 December 2025, whereby 95% of dividends received by banks, financial intermediaries and insurance companies as “parent” companies (pursuant to Directive 2011/96/EU) and paid by their “subsidiaries” resident in an EU Member State or in a State party to the Agreement on the European Economic Area is excluded, for IRAP purposes, from the net value of production, with a view to eliminating double taxation of such income at parent-company level.

For prior tax periods, the portion of IRAP relating to those dividends that contributed to the net value of production to an extent greater than 5% may be claimed as a refund, provided the 48-month limitation period from the payment date has not yet expired (pursuant to Article 38 of Presidential Decree 602/73).

The amounts claimed as a refund may be offset against the extraordinary contribution for the release of the reserve relating to the bank extra-profits tax set out below.

Changes to the rules on dividends and capital gains

Article 1 paragraph 51 of the 2026 Budget Law has introduced restrictive changes to the rules governing the taxation of dividends and capital gains received in the course of business, applicable to distributions of profits and reserves resolved as from 1 January 2026 and to capital gains realised on the disposal of equity investments acquired as from 1 January 2026.

The regulatory changes concern the exclusion/exemption regimes applicable, respectively, to dividends/capital gains received by: (i) IRPEF taxpayers: 41.86% and (ii) IRES taxpayers: 95%

These regulatory changes also apply to non-resident companies and entities that may benefit from the reduced final withholding tax rate of 1.20% on dividends from Italian sources.

For these taxpayers, the partial taxation regime for dividends and capital gains is maintained provided that the holding is at least 5% (whether held directly or through controlled companies) or has a tax value of at least EUR 500,000.

If the above minimum holding requirements are not met, dividends and capital gains are fully taxable.

Deductibility of loan loss allowances in the first and second risk stages

Article 1, paragraphs 56-58 of the 2026 Budget Law, has provided for the introduction, for financial intermediaries, of a transitional regime for the deductibility of write-downs of loans to customers, in order to spread the deduction of charges relating to loan loss allowances for the first and second risk stages in equal instalments. In particular, the write-downs are deductible, for IRES and IRAP purposes, in the year in which they are recognised in the financial statements and in the following four years. The new deductibility rules will apply for the tax period following the one ending 31 December 2025 and for the following three tax periods.

The rules on the conversion of Deferred Tax Assets (DTA) into tax credits (as per Article 2, paragraphs 55, 56-bis, 56-bis.1 and 56-ter of Decree-Law 225/2010) do not apply to deferred tax assets recognised following the application of the provisions in question.

Extraordinary tax on banks' extra-profits - Presumption of priority distribution of the reserve and option to release

Article 26 of Italian Decree Law no. 104 of 10 August 2023 (converted, with amendments, into Law no. 136 of 9 October 2023) introduced an extraordinary tax payable by banks, determined by applying a rate of 40% to the amount of net interest income for 2023 exceeding by at least 10% the net interest income for 2021; the amount of such tax could not exceed a share equal to 0.26% of risk-weighted assets as at 31 December 2022. The provision also stipulated that, instead of paying the tax, banks could allocate an amount no less than 2.5 times the tax due to a specifically identified non-distributable reserve.

Law no. 199 of 30 December 2025 introduced under Article 1: (i) under paragraph 68, a legal presumption of priority distribution, which, with effect from the profit distributions made as of 1 January 2029, entails the obligation to pay the extraordinary tax (at the rate of 40%) provided for by the aforementioned Article 26 of Italian Decree Law no. 104 of 10 August 2023, previously suspended through the establishment of the reserve; and (ii) under paragraphs 69 to 73, a transitional regime that allows the above-mentioned legal presumption to be disapplied, on condition that the reserve is subject to a special contribution at a concessionary rate in an amount equal to: a) 27.5% of the reserve existing as at 31 December 2025, b) 33% of the reserve existing as at 31 December 2026.

Increase in the IRAP rate

Article 1 paragraphs 74-75 of the 2026 Budget Law has introduced a two-percentage-point increase in the IRAP rates for banks and financial intermediaries (from 4.65% to 6.65%), as well as for insurance companies (from 5.90% to 7.90%) for the tax period following the one ending 31 December 2025 and for the following two. In determining the advance payment due for the tax period following the one ending 31 December 2025, the tax for the previous period is assumed to be the tax that would have been determined by applying the new IRAP rates.

Suspension of the deduction of negative income components, limitations on the use of tax losses and excess of the Allowance for Corporate Equity (ACE), and recalculation of advance payments

Article 1 paragraphs 76-78 of the 2026 Budget Law has introduced a change to the percentage of the staggered deductions of the following negative income components, for IRES and IRAP purposes, in particular:

- a) the deduction equal to 3.8% of write-downs and losses on loans (Article 16, paragraphs 4 and 9 of Decree-Law No. 83/2015) provided for the tax period ending 31 December 2027 is deferred in equal instalments to the 2028 and 2029 tax periods;
- b) the deduction equal to 12.36% of the amortisation of trademarks and goodwill (Article 1, paragraph 1079 of Law No. 145/2018) provided for the tax period ending 31 December 2027 is deferred in equal instalments to the 2028 and 2029 tax periods;
- c) the deduction equal to 9.50% of income components arising from the adoption of the recognition model for the allowance covering expected losses on loans to customers recognised in the financial statements upon first-time adoption of IFRS 9 (Article 1, paragraphs 1067 and 1068 of Law No. 145/2018), provided for the tax period ending 31 December 2027, is deferred in equal instalments to the 2028 and 2029 tax periods.

Moreover, paragraph 79 of Article 1 of the 2026 Budget Law provides that tax losses and excess ACE are deducted from income:

- for the tax period ending 31 December 2026, limited to the higher taxable income for that tax period determined as a result of the provisions referred to in Article 1, paragraphs 14-17 of the 2025 Budget Law, up to a maximum of 35% of such higher taxable income;
- for the tax period ending 31 December 2027, limited to the higher taxable income for that tax period determined as a result of the provisions of Article 1, paragraphs 76-78 of the 2025 Budget Law, up to a maximum of 42% of such higher taxable income.

The limitations also apply for the purposes of determining the income of entities participating in the national and worldwide tax consolidation schemes referred to in Articles 117 et seq. of the Income Tax Act (TUIR). The provisions introduced also provide specific guidance on how to recalculate IRES and IRAP advance payments due for the tax periods from 2026 to 2029.

Prohibition of set-off in the presence of overdue tax rolls – reduction of the threshold from EUR 100,000 to EUR 50,000

Article 1 paragraph 116 of the 2026 Budget Law has amended Article 37 paragraph 49-quinquies of Decree-Law 223/2006 and Article 5 paragraph 7 of the Consolidated Act on payments and collection, reducing the threshold that triggers the prohibition of set-off from EUR 100,000 to EUR 50,000 for taxpayers with overdue amounts registered on tax rolls, whether or not arising from enforceable assessments or notices of recovery of tax credits.

This amendment applies to set-offs carried out from 1 January 2026.

Write-down of bonds and other securities

Article 1 paragraph 130 of the 2026 Budget Law has amended the rules for the valuation of bonds and securities recognised as financial fixed assets for entities that apply international accounting standards.

In particular, the 2026 Budget Law, by amending Articles 94, 101 and 110 of the TUIR, has eliminated the special regime for entities that prepare their financial statements in accordance with international accounting standards, creating a single set of rules for all entities.

- The new rules introduce a limitation on tax-relevant write-downs of these securities, by providing for a minimum tax value of the security determined:
 - for securities traded on regulated markets, on the basis of the arithmetic mean of the prices recorded in the last half-year;
 - for other securities, by applying to the tax-recognised value any decrease inferred from the overall trend of the Italian electronic bond market in the half-year preceding the end of the tax period.

Derogations from the enhanced derivation principle with reference to the cost of trademarks, goodwill and intangible assets with an indefinite useful life

Article 1 paragraph 131, letters a), b) and c) of the 2026 Budget Law has introduced derogations from the enhanced derivation principle for entities that prepare their financial statements in accordance with international accounting standards. In particular, for 2026 only, the following is provided for:

- the tax relevance of capital gains from the disposal of treasury shares;
- deferral of the deductibility of costs recognised in the profit and loss account for cash-settled share-based payments until the time of settlement;
- deduction of an amount, within the limit of one eighteenth of the cost of trademarks, goodwill and intangible assets with an indefinite useful life, from the tax period in which the related costs are recognised in the profit and loss account (as impairment) until they are fully absorbed.

Limit on the deductibility of interest expense

Article 1, paragraph 133 of the 2026 Budget Law has introduced limits on the deductibility of interest expense incurred by financial intermediaries for IRES and IRAP purposes. Such interest is deductible up to:

- a) 96% for the tax period following the one in progress as at 31 December 2025;
- b) 97% for the tax period following the one in progress as at 31 December 2026;
- c) 98% for the tax period following the one in progress as at 31 December 2027;
- d) 99% for the tax period following the one in progress as at 31 December 2028.

For the calculation of advance payments as at 31 December 2027, 2028, 2029 and 2030, the tax for the previous period is assumed to be that which would have been determined without applying the new interest deductibility limits described above.

Enhanced depreciation for investments in capital goods

Article 1, paragraphs 427-436 of the 2026 Budget Law has replaced the previous provisions regarding the 4.0 tax credit and transition 5.0. In particular, for investments in 4.0 and 5.0 capital goods intended for production facilities located within the national territory and made from 1 January 2026 to 30 September 2028, an increase in depreciation charges and finance lease instalments is envisaged in the amount of:

- 180% for investments up to EUR 2.5 mln,
- 100% for investments over EUR 2.5 mln and up to EUR 10 mln
- 50% for investments over EUR 10 mln and up to EUR 20 mln.

The increase is granted for investments in:

- new tangible and intangible capital goods included in Annexes IV and V to the 2026 Budget Law, interconnected with the company's systems
- new tangible capital goods instrumental to the conduct of business, aimed at self-generating energy from renewable sources for self-consumption, including remotely, pursuant to Article 30, paragraph 1, letter a, number 2 of Legislative Decree No. 199/2021, including systems for storing the energy produced.

Global Minimum Tax

With reference to the implementing provisions regarding global minimum taxation ("Global Minimum Tax" or "GMT"), the following implementing decrees have been issued concerning the respective areas of application:

- Ministerial Decree of 20 May 2024 (Simplified Transitional Schemes),
- Ministerial Decree of 1 July 2024 (Minimum National Tax"),
- Ministerial Decree of 11 October 2024 (Reduction of the tax base of the minimum tax arising from substantial economic activity known as SBIE (Substance-Based Income Exclusion);
- Ministerial Decree of 20 December 2024 (Miscellaneous Provisions Implementing the Global Minimum Tax),
- Ministerial Decree 27 December 2024 (Regulation of deferred taxation in the transitional period)
- Ministerial Decree of 16 October 2025 (Regulation of the Relevant Communication)
- Ministerial Decree of 7 November 2025 (Regulation of the Tax Return relating to the Minimum National Tax)

On 05 January 2026, the OECD published an agreement agreed by the 147 member countries of the so-called "Inclusive Framework", which, within the G20, cooperate on initiatives to counter base erosion and profit shifting (BEPS), for the operation of the Global minimum Tax and to ensure the stabilisation of the international tax system through a common approach. To preserve these benefits while at the same time ensuring greater stability, simplicity and certainty, the Framework introduced a package of measures relating to the GMT, which includes the introduction of the following measures:

- a) Simplified regime for the permanent Effective Tax Rate (the so-called Permanent Simplified ETR Safe Harbour). In particular, it is envisaged that the ETR of a multinational group will be determined through a simplified calculation based on income and taxes drawn from the multinational group's reporting packages, with reduced adjustments. The Simplified Safe Harbour will be available for multinational groups in all jurisdictions from the start of 2027 or, in certain circumstances, from the start of 2026.
- b) One-year extension of the so-called Transitional CbCR Safe Harbour - simplified transitional regime based on country-by-country reporting (CbCR). This will allow relevant taxpayers to choose between the *Permanent Simplified ETR Safe Harbour* or the *Transitional CbCR Safe Harbour* during the transitional period.
- c) Simplified ETR calculation regime which takes into account, using a substance-based approach, the presence of qualified refundable tax credits (the so-called substance-based tax incentive safe harbour)
- d) Side-by-Side (SbS) Safe Harbour, a simplified regime applicable to countries whose tax systems ensure a minimum level of taxation both domestically and supranationally.
- e) Ultimate Parent Entity Safe Harbour, a simplified regime available to parent companies located in countries whose tax systems ensure a minimum level of taxation domestically.

Increase in Tobin Tax rates - FTT

Article 1, paragraphs 29-31, of the 2026 Budget Law provides for an increase in the Tobin tax rate from 0.2% to 0.4%, i.e., the financial transaction tax on transfers of ownership of shares and other participating financial instruments.

Indirectly, the rate for transfers carried out on regulated markets and multilateral trading facilities increases from 0.1% to 0.2%. In addition, the tax on high-frequency trading carried out on the Italian financial market increases from 0.02% to 0.04%. The fixed amounts relating to derivatives were not changed, however.

The new rates apply with effect from transactions carried out as from 1 January 2026.

Labour law updates

Personnel administration

In June 2025, the second tranche of the pay-scale increases provided for by the National Collective Bargaining Agreement (CCNL) signed in 2023 was applied.

The company bonus for 2024 was paid during 2025. As in the previous year, employees were given the option to choose between the monetary disbursement of the bonus, taxed at 5% where the required tax conditions were met, or its conversion into a “welfare account”, which can be used via an IT platform until 30 November. In this way, it was possible to opt for a wide range of services and/or repayments with contribution and tax exemption or for the premium to be allocated to supplementary pensions.

The Supplementary Labour Agreement of II level was updated, providing at administrative level:

- adjustment of the amounts for the commuting allowance already provided for supplementary company agreement;
- reimbursement forecast for public transport season tickets for employees transferred at the Company's initiative;
- extension of paternity leave by 5 days, from the 10 days provided for by law to 15 days in total;
- extension of the 4 days of bereavement leave to include the death of the partner's or cohabitant's parents
- one day of leave for children's settling-in at nursery or pre-school;
- leave to assist children with learning-related conditions (BES, DSA) as indicated in the CCNL.

Tax Agency

In 2025, the first part of the tax reform under the delegation to the Government assigned by Law No. 111 of 2023 was confirmed, providing for a reduction of IRPEF tax rates from 4 to 3: (i) up to EUR 28,000 - 23%; (ii) up to EUR 50,000 - 35%; (iii) over EUR 50,000 - 43%.

In addition, deductions for employment income were raised by EUR 75 for incomes up to EUR 15,000.

Social security

In 2025, the “flexible early retirement pension” scheme was confirmed (the so-called “Quota 103”), introduced on a trial basis for 2023, and already confirmed in 2024. The rule provides that one can leave the labour market at the age of at least 62 and with a minimum contribution period of 41 years. The flexible early retirement provides for specific limitations on the maximum amount of the monthly gross pension and on the possibility of cumulation with other income from work.

With the 2025 Budget Law, the right to opt for the so-called “women's option” early retirement has also been further extended to female workers who, by 31 December 2024, have accrued the requirements of 35 years of contributions and are aged 61 (60 years of age with one child, 59 years of age with two or more children), provided that they assist a family member in a serious situation pursuant to Law 104, have a reduction in working capacity greater than or equal to 74%, or are employed in companies in crisis.

The incentive to postpone retirement was also confirmed, allowing workers who have met the requirements for the flexible early retirement pension or for early retirement to request that their employer pays them the pension contributions due, instead of paying them to INPS. From 2025, the amounts paid to workers for this purpose are not subject to taxation.

Results by Operating Segment

Identification of Operating Segments

In accordance with the provisions of IFRS 8, the operating segments have been identified based on the main business sectors in which the Group operates. As a result, by adopting the “business approach”, consolidated income statement and balance sheet data are broken down and re-aggregated based on criteria including: business area concerned, operating structure of reference, relevance and strategic importance of activities carried out, and customer clusters served.

Within the presentation of results by Operating Segment, the Mediobanca Group—consolidated from the acquisition date—is shown as a separate business unit pending full integration, with the following clarifications:

- the effects of the acquisition of Mediobanca and its subsidiaries consolidated for the first time from 30 September 2025 have been recognised. Please note that, with reference to the income statement, the contribution of the Mediobanca Group relates to the October – December 2025 quarter;
- given the specific nature of the transaction, no adjustments have been made to the reclassified historical data to retroactively reflect the effects of the acquisition. As a result, no comparative figures are reported for the Mediobanca Group.

Lastly, note that, as described in more detail in the paragraph “Income statement and balance sheet figures reclassification principles”, to which reference is made, the costs and revenues, as well as the assets and liabilities relating to the consolidated contribution of the subsidiary MP Banque, are included on a line-by-line basis in the individual income statement and balance sheet items within the *Corporate Center*.

Based on the Group’s reporting criteria, which also take into account the organisational structure and the above, the following operating segments are therefore defined, as well as the divisions of the Mediobanca Group:

- **Retail Banking**, which includes the income statement and balance sheet results for Retail customers (Valore service models – including the Valore Famiglie and Valore POE segments, Premium and Premium Top) and Banca Widiba SpA (network of Financial advisors and Self channel);
- **Wealth Management**, which includes the Income statement and balance sheet results of Private Banking customers (Private Banking and Family Office segments) and the subsidiary MPS Fiduciaria;
- **Corporate Banking**, which includes the income statement and balance sheet results of enterprise customers (SME, Corporate Client and Small Business segments) and the Foreign Branches;
- **Large Corporate e Investment Banking**, which includes the income statement and balance sheet results of Large Corporate customers, and of the Corporate Finance and Investment Banking and Global Markets Business Units;
- **Corporate Centre**, which in addition to the offsetting of intragroup entries, incorporates the results of the following business centres:
 - non-Performing customers managed centrally by the Non-Performing Loans Unit;
 - companies consolidated with the equity method and those held for sale;
 - operating units, such as proprietary finance, treasury and capital management;
 - service units supporting the Group’s business, dedicated in particular to the management and development of IT systems.
- **Mediobanca Group**: which includes, in particular, the income statement results for the fourth quarter of 2025 and the balance sheet results as at 31 December 2025 for customers of the Wealth Management, *Consumer Finance* and *Corporate and Investment Banking* divisions of the recently acquired Mediobanca Group.

The income statement and balance sheet results for each identified operating segment are shown in the following paragraphs.

Results in brief

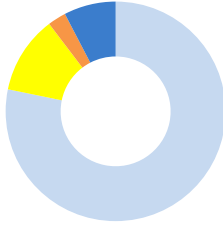
The following table reports the main income statement and balance sheet aggregates that characterised the Group's operating segments as at 31 December 2025:

SEGMENT REPORTING		Operating Segments					Total MPS Group net of Mediobanca	Total Mediobanca Group (**)	Total Montepaschi Group
Primary segment		Retail banking	Wealth Management	Corporate Banking	Large Corp. & Investment Banking	Corporate Center			
(EUR mln)		31/12/25	31/12/25	31/12/25	31/12/25	31/12/25	31/12/25	31/12/25	31/12/25
PROFIT AND LOSS AGGREGATES									
Total Revenues		1,979.8	182.5	1,152.8	323.3	435.3	4,073.9	882.7	4,956.6
Operating expenses		(1,158.8)	-110.6	-389.6	-92.0	(133.8)	(1,884.9)	(419.0)	(2,303.9)
Pre Provision operating Profit		821.0	72.0	763.2	231.4	301.5	2,189.0	463.7	2,652.7
Cost of customer loans/Net impairment (losses)-reversals on securities and loans to banks		(42.3)	0.2	-260.7	-17.9	(7.8)	(328.5)	(72.2)	(400.7)
Net Operating Income		778.7	72.2	502.4	213.5	293.6	1,860.5	391.5	2,252.0
		31/12/25	31/12/25	31/12/25	31/12/25	31/12/25	31/12/25	31/12/25	31/12/25
BALANCE SHEET AGGREGATES									
Gross Interest-bearing loans to customers (*)		35,148	540	30,833	5,075	10,899	82,496	62,441	144,937
Direct funding		46,076	3,340	22,131	4,856	21,119	97,522	68,819	166,341
Indirect Funding		66,296	17,631	6,764	9,199	9,755	109,646	84,999	194,645
Assets under management		49,880	11,728	1,161	37	542	63,347	53,929	117,277
Assets under custody		16,415	5,904	5,603	9,162	9,214	46,298	31,070	77,368

(*) The value shown for the Group, as well as for the Sales & Distribution segments, represents gross interest-bearing loans to customers, and therefore does not include loss provisions.

(**) The value shown for the Mediobanca Group represents the contribution as reported in the reclassified statements in the preceding sections.

Retail Banking

Business areas	Customers																				
Retail MPS • Funding and provision of insurance products. • Lending. • Financial advisory services. • Electronic payment services. Banca Widiba • Banking products and services, deposit accounts, cards and advanced payment systems; customer operations in self-service mode through the Bank's digital channels or in assisted mode with the support of a Financial Advisor. • Fully customisable online platform that relies on a network of 578 Financial Advisors present throughout the country. • Funding and Global advisory services and financial planning through the advanced WISE platform and the skills of the Financial Advisor Network. • Mortgage loans, credit facilities and personal loans. • Innovative interaction through computers, smartphones, tablets, watches and TV.	Retail Banking customers number approximately 3.4 mln and include approximately 239,300 exclusive customers of Banca Widiba. The total number of Banca Widiba customers, including those shared with the Parent Company, is approximately 261,900, of which approximately 113,300 are on the Financial Advisors network channel, approximately 105,400 on the Self channel, and approximately 43,200 customers migrated from the MPS branch network. Breakdown by type  <table border="1"> <thead> <tr> <th>Type</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Value</td> <td>78.2%</td> </tr> <tr> <td>Premium</td> <td>11.5%</td> </tr> <tr> <td>Premium Top</td> <td>2.7%</td> </tr> <tr> <td>Widiba</td> <td>7.6%</td> </tr> </tbody> </table> Breakdown by geography  <table border="1"> <thead> <tr> <th>Geography</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>North East</td> <td>17.4%</td> </tr> <tr> <td>North West</td> <td>15.6%</td> </tr> <tr> <td>Centre</td> <td>35.5%</td> </tr> <tr> <td>South</td> <td>31.4%</td> </tr> </tbody> </table>	Type	Percentage	Value	78.2%	Premium	11.5%	Premium Top	2.7%	Widiba	7.6%	Geography	Percentage	North East	17.4%	North West	15.6%	Centre	35.5%	South	31.4%
Type	Percentage																				
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South	31.4%																				

Income statement and balance sheet results

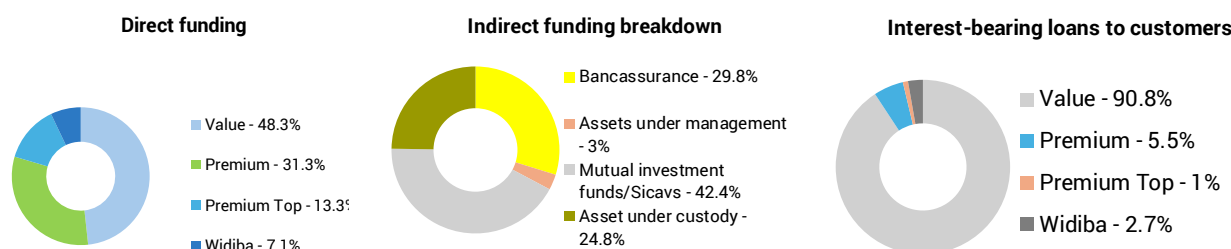
As at 31 December 2025, **Total Funding** in Retail Banking amounted to **EUR 112.4 bn**, up by EUR 2.2 bn compared to September 2025 levels and up by EUR 5.9 bn compared to year-end 2024. More specifically:

- **Direct funding**, amounting to **EUR 46.1 bn**, increased by EUR 0.5 bn compared to 30 September 2025 as a result of the increase in sight deposits (EUR +0.7 bn), while short-term funding (EUR -0.1 bn) and medium/long-term funding (EUR -0.1 mln) remained substantially stable. The aggregate is up by EUR 1.4 bn compared to 31 December 2024, with growth in sight deposits (EUR +1.9 bn) partly offset by medium/long-term funding (EUR -0.5 bn) and the short-term component (EUR -0.1 bn);
- **Indirect funding**, totalling **EUR 66.3 bn**, grew by EUR 1.8 bn compared to September 2025, due to an increase in assets under management (EUR +1.1 bn) and in assets under custody (EUR +0.6 bn). The aggregate is also up compared to 31 December 2024 (EUR +4.5 bn), both in the assets under management component (EUR +2.8 bn) and in the assets under custody component (EUR +1.7 bn). The growth in Indirect funding recorded since the beginning of the year reflects positive net inflows and a positive market effect.

As regards lending activity, the **Gross interest-bearing loans to customers** in the Retail Banking segment amounted to **EUR 35.1 bn**, increasing both compared to September 2025 (EUR +0.4 bn) and December 2024 (EUR +2.7 bn).

RETAIL BANKING - BALANCE SHEET AGGREGATES

(Eur mln)	31/12/25	30/09/25	31/12/24	Chg Abs Q/Q	Chg % Q/Q	Chg Abs 31/12	Chg % 31/12
Direct funding	46,076	45,603	44,717	473	1.0%	1,359	3.0%
Assets under management	49,880	48,740	47,080	1,140	2.3%	2,800	5.9%
Assets under custody	16,415	15,789	14,693	626	4.0%	1,723	11.7%
Indirect Funding	66,296	64,529	61,773	1,767	2.7%	4,523	7.3%
Total Funding	112,371	110,132	106,490	2,239	2.0%	5,882	5.5%
Gross Interest-bearing loans to customers	35,148	34,756	32,409	393	1.1%	2,739	8.5%



With regard to economic performance, as at 31 December 2025, Retail Banking generated total **revenues** of **EUR 1,980 mln**, down 16.2% compared to 2024, mainly due to the impact of the decline in interest rates on net interest income, despite the strong growth in net fee and commission income. A breakdown of the aggregate shows:

- Net interest income amounted to EUR 845 mln, down by EUR 491 mln compared to 31 December 2024; The decline was primarily attributable to the diminished contribution of funding, due to falling interest rates.
- Net fee and commission income amounted to EUR 1,070 mln, an increase of EUR 99 mln compared to the previous year, due to higher income from product placement, services and lending;
- Other income from financial and insurance management amounted to EUR 72 mln, up by EUR 9 mln compared to the previous year.

Considering the impact of operating expenses, which remained substantially stable compared to the previous year, Retail Banking achieved a **Gross Operating Result** of **EUR 821 mln** (EUR 1,206 mln as at 31 December 2024). The **cost of credit** amounted to **EUR -42 mln** (a significant improvement compared to EUR -88 mln as at 31 December 2024).

The **net operating income** as at 31 December 2025 is **positive for EUR 779 mln**.

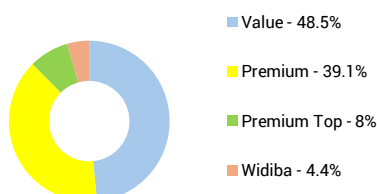
The non-operating items amounted to EUR -5 mln, compared to EUR -8 mln as at 31 December 2024.

Profit (loss) before tax from current operations was **EUR 774 mln** (EUR 1,110 mln as at 31 December 2024).

The **cost income** of the Operating Segment is **58.5%** (compared to 49.0% as at 31 December 2024).

RETAIL BANKING - PROFIT AND LOSS AGGREGATES				
(EUR mln)	31/12/25	31/12/24	Chg. Y/Y	
			Abs.	%
Net interest income	844.8	1,335.5	-490.7	-36.7%
Net fee and commission income	1,070.5	971.1	99.4	10.2%
Other Revenues from Banking and Insurance Business	72.2	63.1	9.2	14.5%
Other operating expenses/income	(7.6)	(7.5)	-0.1	1.8%
Total Revenues	1,979.8	2,362.1	-382.2	-16.2%
Operating expenses	(1,158.8)	(1,156.6)	-2.3	0.2%
Pre Provision Operating Profit	821.0	1,205.5	-384.5	-31.9%
Cost of customer loans/Net impairment (losses)-reversals on securities and loans to banks	(42.3)	(87.5)	45.2	-51.7%
Net Operating Income	778.7	1,118.0	-339.3	-30.3%
Non-operating components	(5.2)	(8.5)	3.3	-38.8%
Profit (loss) before tax from continuing operations	773.5	1,109.5	-336.0	-30.3%

Breakdown of revenues



The main sales initiatives and product/service innovation

During 2025, the Parent Company focused strongly on activities to support people and local communities, responding to emerging needs with extraordinary actions to support and accompany Retail customers. The main initiatives developed are set out below.

The new **Premium Top Service Model** was launched (July 2025) with the aim of enhancing the level of service and sales effectiveness, also by expanding the product catalogue for Retail customers with substantial assets (over EUR 250,000). The new Service Model is currently active in 406 branches with 475 Premium Top managers, who have been included in a dedicated training programme aimed at enhancing professional skills and enrolling in the Register of Financial Advisors.

Retail loans and mortgages:

- development of a dedicated ESG offering through the launch of the **Mutuo a SAL for Green Renovation purposes**, a product dedicated to financing energy-efficiency measures;
- continuation of sales of the **Mortgage with Consap guarantee** (LTV 80% and 100%) for the purchase of a main home, with particular focus on the needs of young people under 36;
- extension of the catalogue of mortgages with Consap guarantee for priority beneficiaries and LTV 100%, also available to individuals with ISEE above EUR 40,000.00;
- launch of the Mutuo Tandem, a new flexible product that ensures the borrower the option of changing the interest rate type over time;
- introduction of the Voucher Mutuo, dedicated to customers looking for a property to purchase who wish to know in advance the Bank's willingness to grant the mortgage;
- strengthening of partnerships with third-party networks;

- review of pricing and active management to maximise positioning in the segment;
- evolution of operating processes, benefiting mortgage disbursement times.

During 2025, the Bank's commitment continued to support customers regarding needs linked to the sustainability of instalments and to provide increasingly timely and qualified advice, renewing and reviewing the following initiatives:

- mortgage suspension: possibility of requesting the suspension of the payment of mortgage instalments in application of the provisions of the Gasparri law;
- initiatives dedicated to small economic operators (fast lending and quick lending);
- extension of the scope of specialised resources for Mortgage Products and the Small Economic Operators (POE) segment.

Consumer Finance:

- launch of the **"Mortgage + Loan"** commercial campaign, through the separate preliminary assessment of an MPS personal loan during the mortgage approval process, to capture additional liquidity needs linked to the purchase of a home;
- roll-out of a commercial campaign on the Standard MPS Personal Loan dedicated to **Under-36 customers**, with a plafond and preferential terms to promote sustainable access to credit and support young people's spending projects;
- **revamping of the Personal Loans offering**, with a remodulation of terms to offer customers more flexible solutions;
- development of **digital marketing** initiatives in collaboration with Compass for the personal loans proposition aimed at prospect customers and **promotion of new payment solutions** (Heylight) through the distribution of advertising materials in Branches.

Funding, Assets under Management and Bancassurance

During 2025, for Retail customers, investment advisory activity focused primarily on rebalancing the business mix and converting assets under custody into assets under management through dedicated promotions and supporting initiatives, in coordination with the territorial structures.

In particular, specific initiatives were targeted at "inactive" Premium customers and "Saver" customers (Premium customers not holding assets under management).

During the year, initiatives were also directed at customers under the Valore service model and Small Economic Operators, focusing attention on their savings needs and portfolio rebalancing opportunities.

Furthermore, to foster the acquisition of fresh money, monthly initiatives were rolled out dedicated to multi-banked customers and generational transfer. The **medium/long-term Indirect funding** was based on the placement of a *certificate* issued by a third-party issuer on a basket of equity indices, with a 4-year term. At the end of the year, the placement to Retail customers of a *certificate* issued by Mediobanca was launched, with a 4-year maturity and linked to a basket of equity securities, and the placement will continue until February 2026.

Within Direct funding, taking into account the context of declining interest rates, the activity focused on the proposal of two new specific fixed-rate liquidity products (CID) combined with the sale of a Capital Accumulation Plan (PAC) on an investment fund or on a SICAV, chosen from one of the available sub-funds, subject to the provision of the investment advisory service. The main objective was to gradually move closer to assets under management through diversification of investments. The Conto Italiano Deposito PAC with a 24-month term is characterised, with a minimum subscription of EUR 4,000, by 8 periodic and progressively increasing payments into the units of a fund or the shares of a SICAV, drawing on the amounts deposited in the CID. In the fund or the SICAV, 60% of the amounts initially deposited in the CID will be invested. The CID PAC PLUS, on the other hand, with a term of 57 months and a minimum subscription of EUR 6,000, is characterised by 20 periodic and progressively increasing payments into the units of a fund or the shares of a SICAV, drawing on the amounts deposited in the CID. In the fund or the SICAV, 100% of the amounts initially deposited in the CID will be invested.

In the area of **Assets under management** for the Premium, Premium Top and Valore segments, the offering of both open-ended funds managed by the partners *Anima, JP Morgan, BlackRock*, and "window" funds was consolidated. The offering was then expanded with certain open-ended funds managed by *Algebris, Fidelity and Pimco*, in view of the definition of the new Premium Top segment, launched on 14 July. From that date, the offering for the Premium Top segment includes funds managed by *Anima, JP Morgan, BlackRock, Algebris and Pimco*. The offering for the Premium and Valore segments remained focused on funds managed by *Anima, JP Morgan and BlackRock*, to which, in October, Pimco-managed

solutions already offered to the Premium Top segment were also added. The Private segment maintained a broader offering, providing for the availability in the catalogue of funds managed by 21 investment houses, including those also offered in the above-mentioned segments. The focus on solutions with ESG investment policies was confirmed, an area in which the Parent Company has already adopted the necessary safeguards for a correct proposal to customers since 2022, expanding in 2023 and 2024 the in-depth analysis on ESG preferences within the of the MiFID profiling questionnaire. In terms of stock, the percentage of ESG funds is 39%²¹ of the total funds being marketed, corresponding to almost EUR 11 bn.

With regard to initiatives in the area of portfolio management, the activity carried out in the previous year to cover all risk classes was consolidated, and a GPA Top Fixed Income was launched for placement for the Private segment, which also offers the subscriber the option of the administered tax regime. The lines are invested exclusively in UCITS/ETFs. At the end of 2025, ESG portfolio management products were overall invested 77% in Art. 8 funds and 14% in Art. 9 funds under the SFDR classification. In line with the expansion of the Premium Top catalogue, in September the marketing of the GPA Top range was opened to the new Service Model and dedicated targets were set.

In 2025, the offering of Savings insurance products was expanded with the launch of a new multi-branch investment policy called Private Choice Plus, single-premium and whole-life, whose benefits are directly linked to a separate account and the performance of a selection of both internal and external funds. A Unit Linked policy called Private Suite Plus was also launched, offering the possibility of investing the premium paid by choosing between two profiles, differentiated by the number and type of available Funds/SICAVs.

The placement of tranche Unit Linked policies also continued, with issues of the “Rendimento Plus” and “Valore Dividendo” families, to which the new “Rendimento Dinamico” solution was added. More specifically, Rendimento Plus is characterised by an investment of the underlying in a basket of bond securities and the distribution of a periodic coupon; Valore Dividendo stands out for an initial investment in a bond component and a gradual build-up of the equity component following a one-off investment by the customer; Rendimento Dinamico, finally, initially invests in a portfolio of corporate securities and provides for an increase in exposure to equity markets during downturn phases.

In the area of Protection products, the first “inclusive” Long Term Care (LTC) policy called “Più Autonomia” was launched, offering a “Life Protection” solution in the event of loss of self-sufficiency, with a predefined term (up to 85 years) and affordable premiums, aimed at customers aged 50 to 70. The protection offering was further enriched with the launch of a decreasing-capital Term Life (TCM) solution (“Vita Sicuro Unico Capitale Decrescente”), designed for customers who want to ensure their family’s or loved ones’ financial peace of mind in the event of premature death, with a flexible solution in terms of cover duration and premium payment method, according to their spending capacity.

The offering in the “Company Protection” area was further enriched and adjusted in respect of cover for “catastrophic risks” to meet the requirements of Ministerial Decree No. 18 of 30 January 2025, which provides for compulsory insurance cover against catastrophic risks for all companies. The product dedicated to companies, “Protezione business”, was therefore further developed to meet this specific requirement through the definition of a new package called Catastrophic Risks, divided into two incremental sizes, Regular and Large, providing for increasing levels of protection respectively.

Throughout 2025, across the entire Bancassurance segment, the focus on operational improvements continued, centred in particular on the review and streamlining of sales and *after-sales* processes, also through further developments in the digitalisation of the offering.

Financial and non-financial consulting

In 2025, for Retail customers, the advisory service offered through the MPS Athena platform was consolidated through an expansion of the range (new UCITS and a customised offering for the new Premium TOP Service Model) and new features that increase advisory value for customers by introducing elements of simplification in the Manager’s operations. The main innovations introduced are set out below:

- **Portfolio Asset Allocation Optimiser:** a new process that introduces mechanisms in MPS Athena to develop guided advisory proposals on customers’ portfolios. It provides the manager with a robust analysis and commercial proposal tool that reduces the time required to analyse and prepare an advisory proposal, improving its quality and supporting the implementation of commercial planning for investment services defined around customer needs.

²¹ Figure updated as at 30 September 2025

- *Execution HUB*: innovation of the order execution process in MPS Athena through the introduction of a “robotised” process that manages all related activities. The manager and the customer benefit from being able to complete all transactions at a single time, without having to reopen the case in the following days to collect the signature for the execution of orders.
- *Dashboard*: new filters and charts in Aggregated Analysis, useful for analysing in greater depth certain characteristics of their customer portfolio.
- *Diagnosis*: new views in the various sections and tools to optimise the meeting with the customer and represent the position comprehensively and in full, including through a Report customisable by the Manager.
- *Planning*: numerous features that make the path of planning and finalising advisory proposals smoother and simpler

Current Accounts, Payments and Collections

Among the activities carried out in 2025, particular note should be made of the alignment with the provisions of Regulation (EU) 886/2024, in order to: i) offer the instant credit transfer service to all customers and on all transaction channels, making it universally available; ii) align the fees applied to instant credit transfers with those envisaged for ordinary transfers, to enhance accessibility; iii) verify the consistency between the IBAN code and the beneficiary's personal data for any type of outgoing transfer, to increase trust and security through prior verification of the beneficiary's identity; iv) screen its customers at least daily against financial sanctions lists, rather than carrying out this check for each individual transaction, thereby removing the identified process inefficiencies while preserving the effectiveness of controls.

Product fine-tuning, already started in 2024, was carried out to streamline i) the process of the customer's right of withdrawal for bundled accounts ii) some aspects of the SEPA Direct Debit service process and the underlying procedures for Cbill/PagoPA payments were strengthened.

Lastly, the sellability rules for the MPS Mio current account dedicated to consumers were amended, in order to allow it to be offered also for retention purposes to customers already holding an MPS current account in the Plus and Extra versions. The Easy version, however, continues to be available for acquisition purposes for new customers, as well as for existing customers who intend to open a new relationship at another branch, or for holders of the MPS Mio Futuro current account who have reached legal age, with the aim of fostering continuity in the commercial relationship.

The current account currently used for *acquisition* activities (MPS MIO) has maintained an excellent positioning among the most convenient current accounts on the market also for 2025. To increase penetration, moreover, in October the online sales process for the MPS MIO account in the Easy version was activated for new customers.

E-Money

Among the activities carried out in 2025, the following are particularly noteworthy:

- the expansion of the offering dedicated to businesses, through the launch of the new Montepaschi Debit Business card on the Mastercard circuit, the marketing of Montepaschi Corporate credit cards in the “individual” and “company” versions on the Mastercard and Visa circuits, as well as Amex Business cards in the “individual” version on the American Express circuit.;
- the continuation of the commercial campaigns, launched in the previous year, to support the replacement of M'Honey revolving credit cards with the equivalent Nexi Flessibile card product or with another financing product suitable for enabling the correct repayment of the residual debt following the unilateral withdrawal exercised by MPS during 2024;
- the activation of new commercial campaigns to increase the issuance of credit cards, with a particular focus on premium and business products, including through up-selling with product switching;
- the extension of the promotions reserved exclusively by Nexi for the Bank for the acquiring offering, providing preferential terms for Montepaschi customers, as well as the launch of new services and products;

- the full digitalisation of the sales process relating to MPS Classic and Gold credit cards, to enable their placement remotely by Isola della Clientela in an initial phase and by Branches during 2026.

Digital Banking

In 2025, the Bank continued on its digitalisation journey, with the aim of making the customer experience increasingly simple, immediate and aligned with the needs of an ever-evolving market. In particular, significant initiatives were carried out both on sales processes and on the digital offering, with the aim of attracting new customers and encouraging the use of online channels.

The most relevant digital initiatives are:

- online sale of the MPS Mio current account – Easy module with debit card and Digital Banking service dedicated to Retail prospects who prefer a fully digital approach.
- This initiative supports the strategy of expanding the customer base and strengthening the Bank's digital presence;
- remote sale of credit cards, enabling customers to complete the purchase without going to a branch, thereby simplifying interaction with the Bank.

To encourage customer digitalisation, new native features were introduced in the Banca MPS App, improving the operation and usability of services from smartphones. These include:

- ability to complete activation of the Digital Banking service, previously allowed only from a PC, and to perform the first login to the service from the App;
- improvement of digital communication between the Bank and the customer, thanks to the introduction of in-App messaging at login and the creation of the Relationship function, a single interaction space between the Branch/Manager and the customer for document exchange and the signing of contracts or deeds sent by the manager;
- optimisation of the "View PIN" function, which allows the PIN of the debit card to be consulted immediately after its purchase in branch and also subsequently;
- management of the Remote Digital Signature (signing, renewal and reactivation).

To promote the dissemination and use of digital services, targeted communication campaigns were carried out via e-mail, telemarketing and pop-ups on ATMs and Digital Banking, aimed at informing customers about the new features and the opportunities offered by online channels. In addition, training webinars dedicated to the Network were organised, with the aim of exploring commercial aspects and enhancing the benefits linked to the adoption of Digital Banking.

Awareness campaigns were also carried out on the Bank's social channels, with the aim of previewing the new features introduced on digital channels and informing users about the availability of online sale of the Current Account. This initiative was also promoted through the branches' window displays, on which dedicated videos were broadcast.

With regard to loans to Retail customers, the interaction methods between Bank and Customer were enhanced, offering a renewed mortgage simulator on the institutional website, the digitalised management of document exchange for mortgage applications, as well as the option to request a branch appointment in self-service mode for applying for a personal loan.

These initiatives respond to clear objectives: simplify the customer experience, increase penetration of digital channels, reduce dependence on traditional operations and strengthen the role of the Banca MPS App as a privileged access point to banking services.

ATMs

Also in 2025, Banca MPS continued its commitment to maintaining a high level of efficiency of the ATM network throughout the country and to monitoring the service level for customers, focusing on replacing obsolete machines and paying particular attention to exceptional situations of machine downtime.

The ATM network migration plan, launched in 2024 and aimed at updating the machines' operating system, is nearing completion. The intervention was necessary to increase security, reduce vulnerabilities, counter cyber-attacks and ensure greater compatibility between software and hardware supplied by partners, thereby improving customers' digital experience and protection in using the service.

To improve the experience of international customers, the DCC (Dynamic Currency Conversion) service was introduced for Visa and Mastercard cards issued in non-EU countries or in countries that do not adopt the euro. This service allows withdrawals in euros with the debit in the original currency, applying an exchange rate guaranteed at the time of the transaction. For customers who choose not to subscribe to the DCC service, a fee called DAF (Direct Access Fee) was introduced.

Finally, in line with the provisions of the European Payments Regulation, instant credit transfer and instant internal transfer functionalities were also activated via ATM, offering customers greater speed and flexibility in transactions.

Open Banking

In 2025, the Bank consolidated the monitoring processes and the policies necessary to ensure the security and reliability of information systems supporting business processes as required by the Digital Operational Resilience Act (DORA) of the European Union, in force since 17 January 2023 and applied from 17 January 2025. Following a change in priorities, the interventions to extend the available services were rescheduled, moving to 2026 the implementation of Payment Cancellation (customers will be able to request the cancellation of a payment through the third party used to initiate it), Bulk Payments (third parties will be able to offer a service to send a list of payments with a single operation) and a solution to reduce friction with third parties during customer payment authorisation.

Results of Banca Widiba SpA

Banca Widiba SpA: As at 31 December 2025, Banca Widiba's **total Funding** amounted to **EUR 11.9 bn**, up by EUR 0.3 bn compared with 30 September 2025 (+2.2%) and by EUR 0.9 bn compared with 31 December 2024 (+8.4%). Year-to-date increases concerned all funding segments; in particular, they were more pronounced in assets under management, with a trend that was also confirmed in the fourth quarter. Net inflows also remained positive in the fourth quarter, totalling EUR 181 mln (of which EUR 81 mln in assets under management and EUR 84 mln in assets under custody). Net inflows for the year therefore amounted to EUR 605 mln, driven by the Financial Advisor Network channel and standing at a level just below the previous year. The impact of financial market trends on the evolution of funding stocks has been positive since the start of the year, amounting to around EUR 300 mln (of which EUR 97 mln in the fourth quarter), contributing to the increase in total assets as at 31 December 2025.

As regards financial results, as at 31 December 2025 Banca Widiba reported total income of EUR 87.7 mln, down by EUR 38.3 mln compared to the previous year (-30.4%), due to the decrease in net interest income (EUR -39.1 mln, attributable to lower rates on intragroup assets with MPS following the reduction in market rates); Net fee and commission income, amounting to EUR 24.2 mln, increased by EUR 1.1 mln compared to the previous year (+5.0%), showing a rise across all segments of gross fee and commission income (in particular assets under management), with the exception of the Card Payments segment due to Mastercard charges of EUR 1.4 mln (recharged by the Parent Company MPS) not present in 2024, as well as certain other operating income (EUR 1.7 mln) recorded in the previous year, again in the same segment.

Gross Operating Result stood at EUR 26.8 mln (down by EUR 34.3 mln, -56.1%, mainly due to the aforementioned trends in net interest income), after absorbing operating expenses (EUR 60.9 mln, down by EUR 4.0 mln, -6.2%, compared to 2024, with the decline concentrated in the ASA segment at EUR -4.9 mln).

In relation to a cost of credit of EUR 1.9 mln, up by EUR 0.4 mln compared to the previous year, **net operating income** amounted to **EUR 24.9 mln**, down by EUR 34.7 mln compared to 2024 (-58.2%).

Non-operating items include net provisions of EUR 0.9 mln on certain items of the provision for risks and charges, EUR 1.9 mln for charges related to the Eurovita transaction, and EUR 0.3 mln for FITD charges.

Profit (loss) before tax from current operations was **EUR 21.7 mln**, down compared to the previous year (EUR -29.9 mln, -57.9%). Net profit therefore amounted to EUR 14.4 mln, down compared to 2024 (EUR -19.5 mln, -57.5%).

Main initiatives

In 2025, in the banking segment, improvements and innovations were introduced in processes aimed at both customers and financial advisors, through strengthening strategic partnerships to expand the range of value-added services, as well as implementing initiatives and rolling out a plan of information and commercial campaigns targeted at customers, aimed both at cross-selling and customer care activities.

During 2025, the Bank implemented all measures required to comply with Regulation (EU) 2024/886 on instant payments, consequently enabling its customers to make instant credit transfers free of charge, like ordinary credit transfers, and to have additional transaction channels integrated with home banking available, such as ATMs, MPS branches and requests via Financial Advisor.

A transaction-limit dashboard was also introduced, on the same occasion, for all credit transfer orders (ordinary and instant), to ensure greater security for customers and full control over the availability in their account. Lastly, developments also concerned the Widiba prepaid card, which is now enabled to receive and send instant credit transfers.

Also in the Card Payments segment, the change to Amex cards was completed, converting them from “charge” to “revolving”. The Bank also completed the migration to the new Bancomat platform for the management of payment cards enabled on the domestic circuit.

A new service model, called Private, was created, with the aim of properly regulating a customer segment that has been well represented in Banca Widiba since its inception, precisely thanks to the presence of financial advisors and to the product catalogue, especially as regards investments.

Lastly, periodic and event marketing campaigns were carried out during the year, aimed at increasing the customer base and revenues, with incentives for the opening of current accounts, the crediting of fees, the contribution of fresh money, the purchase of credit cards.

During the year, the Media Center worked on consolidating the envisaged contractual quality standards, with a view to meeting the needs of customers and advisory services and achieving a high level of satisfaction.

To this end, actions to monitor the outsourcers engaged in direct assistance continued, useful for identifying areas for improvement both in terms of quality and process.

Targeted training actions were planned, generating process streamlining, with a consequent reduction in the handling chain for customer reports, also in terms of time, thanks to the continued specialisation of all the people involved in their management.

The average rating for customer support during the year was 4.2/5, while the call abandonment rate stood at 7%. Support for the Financial Advisor Network recorded a rating of 4.9 and an abandonment rate of less than 1%.

In 2025, the credit segment showed signs of strong dynamism. Mortgages recorded disbursement volumes of EUR 143 mln. In the first half-year, repeated ECB rate cuts fostered a reduction in rates, making variable-rate mortgages more competitive and rekindling market interest, while fixed-rate mortgages remained stable and attractive. In the second half of the year, mortgage applications slowed, partly due to the reversal in the trend of reference indices for fixed rates, a sign of a more cautious and selective market.

With regard to consumer credit, the volumes of personal loans placed in 2025 amounted to EUR 20.3 mln, while the instant instalments linked to the My Instant Credit service amounted to EUR 6.93 mln.

With regard to investment products, 2025 activities focused on three main drivers: product development and enrichment of the offering, improvement of services and process efficiency.

As regards product development and optimisation of the offering catalogue, the main activities included:

- the introduction into the catalogue of around 20 UCITS “window funds” throughout the year from various issuers (Anima, Pictet, JP Morgan, Fidelity, Axa Investment Manager, BlackRock), highly appreciated by the network, and around 80 new Sicav sub-funds or new Italian funds belonging to the over 30 asset management companies with which Banca Widiba has a distribution agreement. Furthermore, at the beginning of January 2026, the first Undertaking for Collective Investment in Transferable Securities (UCITS) issued by Mediobanca SGR will be launched for distribution;

- the introduction of a new multi-branch policy called “Private Choice Plus” to replace the previous “Private Choice” (issued in 2019) and of a new unit-linked policy called “Selezione Agile Private”, intended for all Private customers. Furthermore, the transfer of Ex-Cronos Vita unit-linked policies to Poste Vita was made operational;
- the distribution of “Dual Opportunity”, the first MPS Group “bundling” product combining investment products and banking products, which allows customers to activate a tied line at favourable rates because it is bundled with the activation of a PAC on an UCITS;
- the primary placement of the first “Certificate” for the Banca Widiba network, whose issuer, Mediobanca, was selected with the aim of activating synergies with the new Group structure. The placement of the product will continue until February 2026.

With regard to service improvements, at the beginning of the year the new “Private Service” was launched, which commercially identifies customers with assets of at least EUR 500,000. These customers have access to a dedicated investment product catalogue (equivalent to that for Retail customers, with the addition of some products specifically designed for this Service Model); moreover, over time, they may be the subject of specific actions, commercial initiatives or dedicated services.

Some commercial initiatives with specific objectives were launched (or continued after the launch at the end of 2024). “Investi con Widiba 2025” is intended to support the conversion of fresh money into investment products; “Io valgo” is intended to support the development and retention of assets in the Portfolio Management service and, lastly, “Azzeramento dei costi fissi PAC” is intended to encourage the use of UCITS. On the insurance side, the following were launched: “Campagna Private Prestige”, which, in collaboration with AXA MPS Assicurazioni Vita, is aimed at new inflows into Branch I instruments; “Intervento su Profilo 100% GS di Investisemplice”, intended as a retention action on the Branch I component of AXA MPS’s multi-branch policy and, at year-end, an initiative on “Private Choice Plus” aimed at fostering activity on big tickets.

Moreover, throughout the year, more than 30 in-depth sessions were held with the network on available markets and products, both via webinar and through more than 15 residential sessions aimed at improving knowledge and deepening the Portfolio Management service and the four catalogues that characterise its offering, supporting the different needs of customers.

With a view to process efficiency, a number of implementations were released to improve the sales and after-sales phases for Multi-branch and Unit Linked policies (in particular in the case of conversion from investment policies, which require specific processes) and to display positions on the individual underlyings of unit-linked policies, for more effective IT oversight in the process of granting derogations from conditions for the Portfolio Management service.

Lastly, throughout the year, some improvements required by regulatory implementations were applied, such as: the review of the VaR thresholds for portfolios and the limits for each product for its ESG assessment, the development of a control to prevent the distribution of products linked to the production of controversial weapons (Law 220/21), the review of controls relating to UCITS nomenclature, in line with ESMA Guidelines, which led certain asset management companies to amend the objectives, investment strategy and management process of some Sicav sub-funds and/or funds, and the review of Target Market rules to align with IVASS’s new requirements concerning the collection of customers’ insurance objectives/needs.

Financial Advisor Network

As at 31 December 2025, the CF Network has a total workforce of **578 resources** (567 as at 31 December 2024). The stock of total Funding of customers managed by Financial advisors as at 31 December 2025 amounted to EUR 9.947 bn: More specifically, assets under management amounted to EUR 6.08 bn – and accounted for around 61% of the total stock – while assets under administration amounted to EUR 1.942 bn (20% of the total) and direct funding amounted to EUR 1.926 bn (19% of the total).

Average assets per advisor stood at EUR 17 mln as at 31 December 2025.

Total funding shows positive net flows: As at 31 December 2025, total net inflows amounted to EUR +552.8 mln and net inflows from managed assets amounted to EUR 273.2 mln. Also in the managed segment, placement flows were up 8% compared to 2024 (EUR 1.186 bn in 2025 vs. EUR 1.098 bn in 2024). Also positive were the flows of assets under custody, amounting to +217.6 mln euro, and the flows of direct funding amounting to +61.9 mln euro.

Global Advisory Pro (the advisory model with a specific fee) also recorded a positive trend in 2025, rising from EUR 1,032 mln as at 31 December 2024 to EUR 1,379 mln as at 31 December 2025 (+34% compared to 31 December 2024). Of these assets, EUR 478 mln (equal to 35% of total assets in Global Advisory Pro) are composed of assets under administration.

A strong push on recruitment is also planned for 2026 as part of a multi-year development plan.

Communications

In 2025, activities focused on strengthening the Bank's reputation and improving the customer experience offered, in line with the new strategic positioning defined following the analysis of the competitive environment and market dynamics. Following this strategic review, corporate and commercial communication was geared towards promoting a more conscious and long-term-oriented approach to financial management, integrating this approach with economic objectives and the principles of Banca Widiba's service model. This orientation made it possible to update language and channels, making the relationship with customers more effective and supporting business development. In this context, Management continued a coordinated set of activities combining local initiatives, digital innovation, institutional communication and media relations.

With regard to new relationships, in 2025 there were 44,885 new Online Enrolments (AOL). Overall, during the year, 15,726 new accounts were opened.

Among Management's main activities, 2025 saw the launch of the new public website, which enables faster and more frequent updates while improving the overall user experience.

As usual, visibility of financial advisory activities was ensured by promoting the Banca Widiba model, giving a voice to management and highlighting the Bank's initiatives with dedicated content. On social media, all the main KPIs remained stable: a community of over 300,000 followers, 218 posts published and an engagement rate of 6.08% (up compared to 2024); 5,000 interactions were generated.

There were also numerous opportunities for engagement with customers, prospects and the Financial Advisor Network, which allowed the Bank to maintain a strong presence in national and industry media.

Among the most visible activities was participation, as a sponsor, in the largest industry event of the year, Il Salone del Risparmio 2025, for which the Directorate handled all aspects: creative concept, preparation of materials for the stand, event organisation, media and social visibility.

Also worth noting is the "La consulenza che ti ascolta" initiative, thanks to which Banca Widiba opened over 50 advisory offices throughout Italy, offering free financial check-ups.

On the Brand Experience side, projects to develop and optimise the app and website continued, to create a coherent and smooth user experience in interaction with the brand and to align customer expectations with the company's operational capabilities. A total of 83 projects were carried out, including those with the greatest impact on CX: the introduction of biometrics for secure access to the app; the transition to React for the website (UX modernisation and accessibility); remediation work to improve the accessibility of digital platforms.

Among the Customer Experience KPIs, the customer satisfaction *rating* is stable at 4.85/5, which corresponds to 97% positive comments on products and services.

Also in 2025, the Widiba app was still the most used channel for access to the Bank, and all the indicators demonstrated its effectiveness.

Lastly, continuous work to improve the Trustpilot trustcore helped consolidate the excellent rating on the platform, enabling Banca Widiba to achieve an overall score of 4.5 out of 5, among the best in the banking sector.

Wealth Management

Business areas	Customers
- Funding, lending, provision of insurance products, financial and non-financial services to private customers. - Services and products for high-standing customers in the areas of wealth management, financial planning, consultancy on not strictly financial services (tax planning, real estate, art & legal advisory). - Fiduciary and trust services (through the subsidiary MPS Fiduciaria).	There are around 38,200 private customers.
	Breakdown by type ■ Private - 93.5% ■ Family Office - 6.5%
	Breakdown by geography ■ North East - 21.4% ■ North West - 19.3% ■ Centre - 38% ■ South - 21.3%

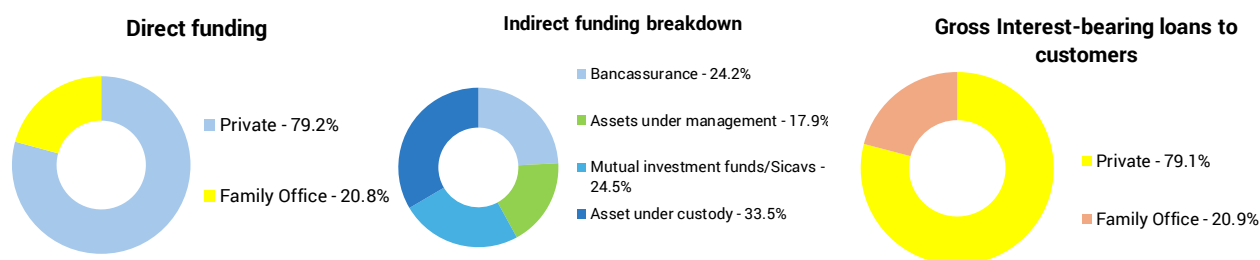
Income statement and balance sheet results

As at 31 December, the **total Funding** of Wealth Management amounted to **EUR 21.0 bn**, up compared to 30 September 2025 (EUR +0.4 bn) and to 31 December 2024 (EUR +1.5 bn). More specifically:

- Direct funding** amounted to EUR 3.3 bn, up by EUR 0.2 bn compared to September 2025 levels and by EUR 0.3 bn compared to 31 December 2024;
- Indirect funding**, amounting to **EUR 17.6 bn**, increased by EUR 0.3 bn compared with 30 September 2025 due to the increase in assets under management (EUR +0.2 bn) and assets under custody (EUR +0.1 bn). The aggregate increases by EUR 1.2 bn compared to the end of 2024, thanks to growth in both assets under management (EUR +0.7 bn) and assets under custody (EUR +0.5 bn).

With regard to lending activities, **gross interest-bearing loans to customers** remained substantially stable compared with both 30 September 2025 and 31 December 2024, amounting to **EUR 0.5 bn**.

WEALTH MANAGEMENT - BALANCE SHEET AGGREGATES							
(EUR mln)	31/12/25	30/09/25	31/12/24	Chg Abs Q/Q	Chg % Q/Q	Chg Abs 31/12	Chg % 31/12
Direct funding	3,340	3,150	3,037	190	6.0%	303	10.0%
<i>Assets under management</i>	<i>11,728</i>	<i>11,558</i>	<i>11,052</i>	<i>170</i>	<i>1.5%</i>	<i>676</i>	<i>6.1%</i>
<i>Assets under custody</i>	<i>5,904</i>	<i>5,816</i>	<i>5,373</i>	<i>88</i>	<i>1.5%</i>	<i>530</i>	<i>9.9%</i>
Indirect Funding	17,631	17,374	16,425	257	1.5%	1,206	7.3%
Total Funding	20,971	20,524	19,463	447	2.2%	1,509	7.8%
Gross interest-bearing loans to customers	540	521	489	18	3.5%	51	10.3%



As regards financial results, as at 31 December 2025 Wealth Management reported total income of **EUR 183 mln**, down by EUR 6 mln compared to 2024. A breakdown of the aggregate shows:

- Net interest income amounted to EUR 37 mln, down EUR 20 mln compared to the previous year, mainly due to the lower contribution from funding (penalised by the decline in interest rates);
- Net fee and commission income amounted to EUR 130 mln, an increase of EUR 12 mln compared to 31 December 2024, due to the higher contribution of placement fees;
- Other income from financial and insurance management amounted to EUR 16 mln, up by EUR 2 mln on an annual basis.

Considering the impact of operating expenses, which were down by 5.1% compared to the previous year, Wealth Management achieved a **Gross Operating Result of 72 mln euro** (72 mln euro as at 31 December 2024). Including the **Cost of credit**, equal to **EUR 0.2 mln**, the **net operating income** amounted to **EUR 72 mln**.

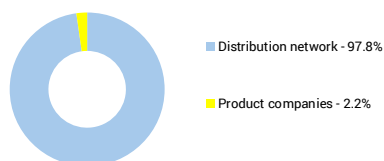
The non-operating items amounted to EUR -0.1 mln (EUR -0.2 mln as at 31 December 2024).

Profit (loss) before tax from current operations was **EUR 72 mln** (EUR 70 mln as at 31 December 2024).

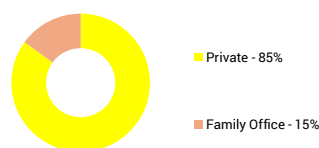
The **cost income** of the Operating Segment is **60.6%** (compared to 61.7% as at 31 December 2024).

WEALTH MANAGEMENT - PROFIT AND LOSS AGGREGATES				
(EUR mln)	31/12/25	31/12/24	Chg. Y/Y	
			Abs.	%
Net interest income	37.3	57.6	-20.2	-35.2%
Net fee and commission income	130.5	118.5	12.0	10.1%
Other Revenues from Banking and Insurance Business	16.3	14.1	2.1	15.2%
Other operating expenses/income	(1.5)	(1.4)	-0.2	12.2%
Total Revenues	182.5	188.8	-6.3	-3.3%
Operating expenses	(110.6)	(116.5)	5.9	-5.1%
Pre Provision Operating Profit	72.0	72.3	-0.3	-0.4%
Cost of customer loans/Net impairment (losses)-reversals on securities and loans to banks	0.2	(1.9)	2.2	n.m.
Net Operating Income	72.2	70.4	1.8	2.6%
Non-operating components	(0.1)	(0.2)	0.1	-39.5%
Profit (loss) before tax from continuing operations	72.1	70.2	1.9	2.7%

Breakdown of revenues



Distribution network - Breakdown of revenues



The main sales initiatives and product/service innovation

Promotional and marketing initiatives

In 2025, the Commercial Planning of Private Banking was developed according to three main strategic drivers: **Increase in Market Share, Value Enhancement, Quality of Advisory Services**. Specific initiatives were implemented for each area, also supported by levers and promotional offers for specific targets and customer clusters. In particular:

- **Increase in Market Share:** In continuity with 2024, specific promotional levers reserved for new customers were launched and specific focus areas were also created on assets under management and on partially active or completely inactive customers in the advisory area, in order to increase service depth.
- **Value Enhancement:** with regard to customer development activities for the existing customer base, dedicated initiatives were launched for the recovery of assets transferred to other intermediaries, the consolidation of the relationship with all members of the Relationship Groups and the management of generational transfer. Initiatives to develop the entrepreneurial customer base were consolidated through synergies between the Private market and the Corporate market, with the aim of providing specialist support for customers' personal and business needs. Activities were also planned in synergy with the Retail market in order to identify private customers with untapped private potential.
- **Quality of Advisory Services:** With a view to the constant improvement and monitoring of the quality of the advisory service provided, specific initiatives were launched in 2025 to ensure customers an efficient diversification of investments and comprehensive coverage of both financial and non-financial needs through the use of the entire range of available offerings. To this end, for example, particular attention was paid to the use of advanced advisory, with a specific target, and targeted solutions were also launched that place tactical solutions alongside the "core" components of portfolios, which are especially useful to customers in the reference market context. Strategic portfolio streamlining activities were then implemented, to incorporate the revision of the model portfolios and address deviations in alignment with the preferences expressed by the customer.

Product/service innovation

In 2025, the offering of products and services for Private and Family Office customers was characterised by the development of new investment solutions and, at the same time, by the pursuit of further rationalisation and simplification of the offering, in order to ensure a constantly updated, high-quality range of solutions.

The product range relating to insurance investment products was renewed, thanks to a complete review of the multi-branch and unit-linked wrapper solutions dedicated to Private customers. The segment also benefited from the launch of unit-linked solutions offered via a subscription window.

In the area of assets under management, **the offering of Funds/SICAVs** is characterised by over 4,000 sub-funds being placed and continued with a view to the ongoing evolution of the offer, aimed at maintaining the high quality of the placement range thanks to agreements signed with the main Asset Managers.

In 2025, the main releases concerned:

- the placement of new window funds, mainly of the Income or Step In Equity type: 13 funds from Anima Sgr, 6 from JP Morgan A.M., 2 from Fidelity, 2 from Pictet, 1 from AXA Investment Managers and 1 from BlackRock;

- the ongoing updating of the range of collective investment undertakings offered by all investment houses under direct placement, in order to ensure coverage of the various peer groups on the market

With regard to the Portfolio Management segment, during the year activities focused on consolidating the management lines offered and on the search for investment solutions able to respond to the market context and the needs expressed by customers, with reference to delegated and personalised mandates. In addition, the Gpa Top service was renewed, in order to improve its flexibility and competitiveness.

Training initiatives

During 2025, in continuity with past years, a comprehensive programme of training initiatives was developed for staff working in the Private and Family Office segments, brought together within the “Private Academy” project. The initiative aims to consolidate and expand the skills of bankers and managerial staff through specialist programmes delivered in collaboration with certified bodies and partners of proven standing.

The training programme is characterised by a multidisciplinary approach that combines technical content, regulatory updates and targeted initiatives aimed at strengthening relationship and advisory capabilities. This approach helps ensure comprehensive preparation aligned with the needs of a constantly evolving market, while also promoting greater uniformity in operating models and in the levels of service offered to customers.

This commitment ensures customers are supported by professionals who are constantly updated and trained according to standards fully aligned with market best practices.

The preparation pathway for the EFA certification exam, issued by EFPA, was also confirmed, enabling new staff to obtain the qualification. Alongside this certification, the Network can also rely on professionals holding the ESG certification, also issued by EFPA. Overall, certified staff represent about one third of the Private Network and, in particular, about 20% of the Network holds the EFA certification.

Thanks to the contribution of partner Investment Houses, information and training initiatives were delivered to provide timely and targeted support in relation to different market scenarios, thus contributing to the consolidation of the skills required to offer customer service consistent with the reference context. To complete the training framework, the internal advisory units provided periodic updates on market developments, making available update elements to support informed management aligned with the market context.

Communication initiatives

In 2025, a comprehensive schedule of communication initiatives was delivered, designed to provide participants with clear, up-to-date and valuable content in order to offer useful tools for a better understanding of market dynamics and, more generally, to support the dissemination of financial literacy.

Twenty-five events were organised nationwide, involving over 1,000 participants, including customers and prospects from the Private, Family Office and Corporate segments, with the aim of fostering dialogue, creating networking opportunities and developing strategic synergies among the various parties involved.

The initiatives were promoted in close collaboration with partner Investment Houses, whose contribution – through analyses, insights and testimonials on the main market trends – enriched the content of the meetings, offering participants a qualified and constantly updated perspective.

In 2025, the offering was further expanded through the introduction of new experiential formats, conceived to integrate technical content with moments dedicated to the development of soft skills. These initiatives enabled participants to experience immersive programmes aimed at enhancing relationship, communication and collaboration skills, thereby strengthening the overall quality of the experience.

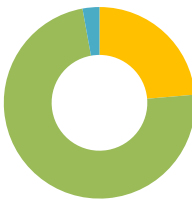
Results for the subsidiary

MPS Fiduciaria: as at 31 December 2025, the subsidiary achieved a profit for the year of EUR 0.07 mln (EUR 0.52 mln as at 31 December 2024).

In 2025, the company assisted the Parent Company in commercial initiatives aimed at expanding the dissemination of services, with particular reference to company liquidity management, *escrow account*, generational transfers of financial and business instruments, asset protection and the assumption of the role of Trustee of Trust. The company continued its collaboration with its reference markets, leveraging the “global advisors” identified to promote fiduciary services within the Network and among external professionals. These activities made it possible to close the year with a net growth in the stock of data assets.

The guidelines for the subsidiary’s next developments envisage a further relaunch of commercial activities to be achieved mainly through a customised structuring of the offer for families, entrepreneurs and companies, but always with a view to the synergies between the corporate world (origination) and the private world (allocation of family investments), inherent to the type of business. Optimisation measures are also planned for some key processes (operations and controls), to be implemented in close cooperation with the Parent Company.

Corporate Banking

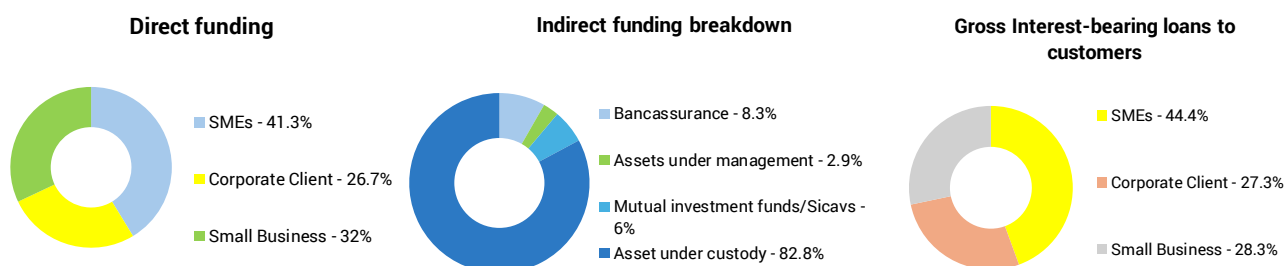
Business areas	Customers
- Lending and offering financial products and services to businesses, including through strategic partnerships with trade associations and Confidi (credit guarantee consortia), with Guarantee Institutions (including public) and Institutional Entities, through which funding is acquired at favourable terms. - Offering factoring for companies, artisans, professionals. - Custody and deposit services for dairy products on behalf of third parties (through the subsidiary Magazzini Generali Fiduciari di Mantova S.p.A., which is also authorised to issue documents of title to the merchandise, providing for easier access to bank lending).	About 117,400 Corporate customers of the Parent Company, directly followed by Corporate Banking.
	Breakdown by type  - SMEs and other companies - 23.6% - Small Business - 73.5% - Corporate client - 2.8%
	Breakdown by geography  - North East - 20.2% - North West - 14.8% - Centre - 37.2% - South - 27.7%

Income statement and balance sheet results

As at 31 December 2025, **total Funding** from *Corporate Banking* amounted to **EUR 28.9 bn**, up by EUR 0.5 bn compared to 30 September 2025, due to the increase in Direct funding (EUR +0.1 bn) and Indirect funding (EUR +0.4 bn). The aggregate was also up compared to the end of 2024 (EUR +2.5 bn), as a result of the increase in Direct funding (EUR +1.8 bn) and Indirect funding (EUR +0.7 bn).

With regard to lending, as at 31 December 2025, Corporate Banking **gross interest-bearing loans to customers** amounted to **EUR 30.8 bn**, stable compared to 30 September 2025 and up compared to 31 December 2024 (EUR +1.1 bn).

CORPORATE BANKING - BALANCE SHEET AGGREGATES							
(EUR mln)	31/12/25	30/09/25	31/12/24	Chg Abs Q/Q	Chg % Q/Q	Chg Abs 31/12	Chg % 31/12
Direct funding	22,131	21,983	20,364	148	0.7%	1,766	8.7%
<i>Assets under management</i>	<i>1,161</i>	<i>1,155</i>	<i>1,156</i>	<i>6</i>	<i>0.5%</i>	<i>5</i>	<i>0.5%</i>
<i>Assets under custody</i>	<i>5,603</i>	<i>5,227</i>	<i>4,896</i>	<i>376</i>	<i>7.2%</i>	<i>707</i>	<i>14.4%</i>
Indirect Funding	6,764	6,382	6,052	382	6.0%	712	11.8%
Total Funding	28,895	28,365	26,416	529	1.9%	2,479	9.4%
Gross Interest-bearing loans to customers	30,833	30,768	29,774	65	0.2%	1,060	3.6%



On the income side, as at 31 December 2025, Corporate Banking recorded **revenues** amounting to **EUR 1,153 mln** (-12.9% compared to the previous year). A breakdown of the aggregate shows:

- Net interest income amounted to EUR 718 mln, down EUR 176 mln year on year, mainly due to the lower contribution from funding (penalised by the decline in rates).
- Net fee and commission income amounted to EUR 418 mln as at 31 December 2025, up by EUR 13 mln compared to the previous year;
- Other income from financial and insurance management amounted to EUR 23 mln, stable compared to the levels recorded as at 31 December 2024.

Considering the impact of operating expenses, down by 2.0% compared to the previous year, the **Gross Operating Result** amounted to **EUR 763 mln** (EUR 925 mln as at 31 December 2024).

The **Net Operating Income** stood at **EUR 502 mln** (EUR 702 mln as at 31 December 2024), against a cost of credit of EUR -261 mln (compared to EUR -223 mln as at 31 December 2024).

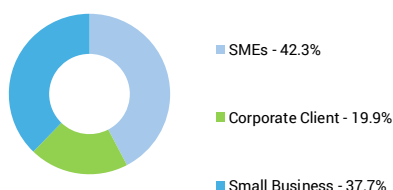
The non-operating items amounted to EUR -4 mln, compared to EUR 0.2 mln as at 31 December 2024.

Profit (loss) before tax from current operations was **EUR 499 mln** (EUR 702 mln as at 31 December 2024).

The **cost income** of *Corporate Banking* stood at **33.8%** (which compares with 30.0% recorded as at 31 December 2024).

CORPORATE BANKING - PROFIT AND LOSS AGGREGATES				
(EUR mln)	31/12/25	31/12/24	Chg. Y/Y	
			Abs.	%
Net interest income	717.9	894.1	-176.3	-19.7%
Net fee and commission income	417.8	404.8	12.9	3.2%
Other Revenues from Banking and Insurance Business	22.9	22.9	0.0	-0.2%
Other operating expenses/income	(5.7)	0.9	-6.6	n.m.
Total Revenues	1,152.8	1,322.8	-170.0	-12.9%
Operating expenses	(389.6)	(397.5)	7.9	-2.0%
Pre Provision Operating Profit	763.2	925.3	-162.2	-17.5%
Cost of customer loans/Net impairment (losses)-reversals on securities and loans to banks	(260.7)	(223.4)	-37.4	16.7%
Net Operating Income	502.4	702.0	-199.5	-28.4%
Non-operating components	(3.7)	0.2	-3.9	n.m.
Profit (loss) before tax from continuing operations	498.7	702.2	-203.5	-29.0%

Distribution network - Breakdown of revenues



Main sales initiatives

Internet Corporate Banking

In 2025, the Bank's commitment to digitalisation and the use of all channels available to corporate customers continued. A project was launched to offer corporate customers a revamped internet banking platform, with advanced digital features, a personalised experience tailored to customer needs and more modern channels. The digital transformation is structured in two distinct phases, to gradually accompany customers towards the new experience:

- first phase (2025): restyling of the graphical interface, more intuitive and user-friendly, thanks to a modern and attractive design that simplified the user experience, while keeping access methods unchanged;
- second phase (2026): development of a completely new platform, capable of attracting expanding operating volumes.

In addition, during 2025, the range of online services offered was expanded and interaction between branches and online channels was improved thanks to new dedicated features, fostering fully paperless processes and reducing operating times and risks.

The expansion of the scope of deeds and contracts prepared in branch and signable via internet banking (Remote Collaboration) helps to minimise the use of paper, in line with the Group's commitment to combating climate change and protecting the environment and, at the same time, to contain the operational risks connected with signature operations.

Lastly, also in corporate banking, the following measures were implemented:

- automation of the PEC-to-PEC signature process with reconciliation of customer responses (checks are fully automated, as are the outcomes);
- activation of CBILL payments via CBI bulk flow (only for enabled users).

Lastly, Banca MPS aligned itself with the provisions of EU Regulation 2024/886 on ordinary SEPA credit transfers and SEPA instant credit transfers, ensuring full compliance with the new rules, including activities connected with the management of payee verification.

In 2026, Banca MPS will also implement measures on open banking (in particular for bulk flows), which will accompany phase 2 of the corporate banking renewal project.

Digitalisation of processes

During 2025, Banca MPS made **significant investments in the digitalisation of credit processes** and of the processes for selling loans to businesses, which materialised, at the end of July, in the launch of a new online loan sales platform that makes it possible to enable self-service sales of certain types of loans to small businesses.

Its logic is an evolution of what has already been tested in Branches/Centres in the activity of simplifying loan completion. The **target customers**, belonging to the **Small Business** and **POE** service models, are selected through a credit scoring process that identifies companies with a **high degree of reliability**, for which repayment capacity is pre-assessed for **two distinct types of loan**, respectively with **terms of 12 or 60 months, at fixed or variable rates**. The maximum amount can reach, depending on the company, up to EUR 150,000.

At present, the process is reserved for companies that have the PasKey aziendaonline channel and the Remote Digital Signature (FDR) service provided by the Bank. Subsequently, it will also be opened to Digital Banking. The customer first proceeds to **calculate the quotation**. If the quotation is satisfactory, the customer can access the sales process, which automatically generates a **loan application**. Subsequently, the customer is offered the first set of documents to be digitally signed with a single FDR. After the first signature, the **automated assessment process** starts with the submission

of the application to the relationship manager, followed by validation and **approval**, carried out by authorised parties, according to a simplified and accelerated process compared to the standard, which makes it possible to significantly reduce response times. If the outcome is positive, the customer is informed via the platform that they can complete the contract, again digitally. They receive a second set of documents, which they can sign again with a single FDR. Finally, the system disburses the amount to the current account indicated by the customer and the signed document set is automatically archived.

The platform, characterised by a strong innovative component, was designed to offer our customers a modern user experience:

- it improves the **quality of service perceived by the customer** (shorter response times and the introduction of self-service methods);
- it enables **autonomy in performing activities** that, to date, were guided by the relationship manager;
- it simplifies the **credit process** by enabling a future automated approval functionality (not envisaged in the first release);
- it promotes **digitalisation**; with the Remote Collaboration and Digital Vault features, customers will be able to manage document exchange in a simple and secure manner;

At the same time, the introduction of self-service sales of unsecured loans also brings **significant benefits for the Network**, as it makes it possible to:

- **reduce the workload for the relationship manager** and the customer thanks to the streamlining of the assessment process;
- contribute to the **achievement of Branch/Centre targets** thanks to the growth in credit facilities and utilisation of commercial lines;
- **limit operational risks** thanks to process automation and standardisation;
- **integrate self-service systems** with those in use in Branches/Centres;

In parallel, the digitalisation of other types of loan contracts is also under way, which will be available for digital signature via Remote Collaboration and PEC-to-PEC.

Companies

Loans

During 2025, support for businesses continued, including to address the extraordinary and urgent need to contain the negative economic effects arising from international tensions, through public intervention by the Guarantee Fund for small and medium-sized enterprises.

Through the SACE “Green New Deal” Guarantee and the SACE “Futuro” Guarantee, the Bank continued to support projects aligned with environmental objectives (climate change mitigation, climate change adaptation, protection of water and marine resources, the circular economy, pollution prevention and reduction, and the protection and restoration of biodiversity and ecosystems) falling within the scope of the so-called Green New Deal”, as well as promoting growth in global markets, supporting technological innovation and the digitalisation process, investing in infrastructure and sustainability, and supporting strategic supply chains and economically disadvantaged areas. It also contributes to the growth of the social ecosystem through the development of female entrepreneurship, with a special focus on initiatives related to the NRRP (National Recovery and Resilience Plan), in order to stimulate the competitiveness and productivity of the country system. Both of the above-mentioned guarantee instruments were merged, starting from 1 April 2025, into a new SACE guarantee instrument called the “Growth Guarantee”, through which SACE standardised and expanded the scope of eligible activities. SACE concluded operations relating to the use of the “Growth Guarantee” on 31 December 2025.

Through the SACE Growth Guarantee Agreement, the Bank (i) continued to support projects relating to environmental objectives falling within the Green New Deal scope and (ii) made available a guarantee instrument dedicated to all Italian companies incorporated as limited companies, including cooperatives, which makes it easier to access short-term and medium/long-term loans. Loans benefiting from the Growth guarantee are those aimed at promoting growth in global markets, supporting technological innovation and the digitalisation process, investing in infrastructure and sustainability, supporting strategic supply chains and economically disadvantaged areas, as well as, in some cases, enabling the financing of costs already incurred. It also contributes to the growth of the social ecosystem through the development of female entrepreneurship, with a special focus on NRRP-related initiatives, in order to stimulate the competitiveness and productivity of the country system.

As a sign of the Bank’s commitment as a benchmark for the DOP Economy and for the Italian agri-food sector, the Group undertook initiatives to support the productive fabric in terms of access to credit and services, by launching targeted products such as: i) the “Green Energy” loan aimed at supporting all companies that, among other things, invest in solar

and agri-voltaic parks; ii) the current account credit facility secured by a non-possessory revolving pledge on agri-food products, to support companies during the maturing/storage/ageing period of the designation-of-origin product and enable them to request credit lines by providing collateral on goods. The operational expansion was achieved through a specific product, called “Current account credit facility secured by a non-possessory revolving pledge on agri-food products pursuant to Law No. 27 of 24/04/2020 (converting the “Cura Italia” Decree-Law of 17/03/2020), implemented by MIPAAF Decree of 23/07/2020”, which complements the Bank’s operations in the segment where the products are DOP or IGP, such as, for example, Pecorino di Pienza and Aceto Balsamico di Modena. The product is designed to provide financial resources to agri-food companies that have long-maturing DOP or IGP products. Depending on the type of product, the maturing process requires a minimum period as indicated by the relevant “product specifications”, during which the company has a considerable tying-up of financial resources, having nonetheless to source funds for the purchase of raw materials and to bear high production costs.

In addition to the above, a new financing product called “Advance on contributions” was created for companies intending to request an advance on the direct contribution towards expenditure granted by Public Bodies following a specific application, such as, by way of example, participation in calls for tenders or the initiation of investments in the Renewable Energy sector or other public calls. With the launch of the above product, the aim was to create a specific form of advance for those who have received a communication granting the contribution from a public entity, for the actual disbursement of which it is nevertheless necessary to first carry out the intervention/investment required by the regulations.

Green Loan

The Parent Company’s commercial offering in the area of sustainability was enriched, in April 2025, with the launch of a new corporate financing product called “**Green Loan**”. The loan in question is aimed at Companies intending to finance or refinance, in whole or in part, eligible “green projects”, new and/or existing.

The key components of a “Green Loan” product may be summarised as:

- the definition of a project performance objective in the “E – Environmental” area;
- the selection of an appropriate “KPI” consistent with the above objective;
- the necessary elements useful for verifying the achievement of the KPI at a certain contractually agreed date (so-called “Verification Date”).

Achievement of this objective on the Verification Date triggers an incentive system, agreed in advance and strictly linked to the sustainability performance of the financed project, consisting of a reduction in the contractual interest rate to be applied as of the first useful maturity date following the Verification Date.

ESG Covenants: Equalitas and Equiplanet

In August 2025, corporate lending products defined as “Sustainability Linked Loan” (“SLL”) were enhanced with two important commitments for achieving sustainability objectives (called “**ESG Covenants**”), namely:

- **EQUALITAS, the certification of sustainable wine:** a voluntary certification standard, reflecting the dialogue among the main representatives of the wine supply chain, which aims to promote the adoption by wine companies of an efficient and competitive sustainability management system, guiding them towards the definition of increasingly ambitious objectives through a gradual approach focused on continuous improvement, while ensuring transparency and communication through the annual publication of a sustainability report.
- **EQUIPLANET:** Certification standard for the management system that verifies the consistency of corporate performance with the Sustainable Development Goals of the UN 2030 Agenda (so-called SDGs), with ESG requirements and with international sustainability best practices.

The attainment of these objectives entails the activation of an incentive system, agreed upon in advance and strictly linked to sustainability performance, and identified, for corporate financing products, as a reduction of the contractual interest rate to be applied as of the first useful maturity date following the verification date.

During 2025, there was a progressive roll-out of SLLs, mainly used to accompany and reward companies’ transition process towards a more sustainable economy.

FRI Calabria

Banca MPS has joined the Agreement regulating the relationship between the Calabria Region, CDP and the Financing Bank for the operation of the financial instrument “Fondo Rotativo Regione Calabria”.

The Fondo Rotativo Regione Calabria financial instrument is an initiative aimed at enabling companies in the Calabria Region to access the credit market on favourable terms. The interventions concern strategic and innovative productive investments to be carried out in the territory of the Region, aimed at strengthening the competitive capacity of companies, supporting the adoption of emerging technologies and the dissemination of innovation processes, as well as supporting the accompaniment of corporate reorganisation and restructuring processes.

FRI Smart Specialisation

Banca MPS is a party to the Agreement between the Ministry of Enterprises and Made in Italy, CDP and ABI to support, within the Sustainable Growth Fund – “Smart Specialisation”, industrial research and experimental development projects of strategic relevance for the production system, consistent with the thematic areas of the national smart specialisation strategy or aimed at identifying its evolving technological and application trajectories, with a focus on the less developed Regions (Basilicata, Calabria, Campania, Molise, Puglia, Sardinia and Sicily).

Tuscany Region EU blending 2023-2028

In order to implement aid initiatives in favour of Tuscan SMEs, the Region of Tuscany has provided for the reduction of interest on loans granted by banks to Tuscan companies, within the framework of a European Investment Bank (“EIB”) provision. Tuscan regional facilitation measures can only be activated by customers through participating banks. MPS is the bank selected by the EIB and is authorised to sign loan contracts with customers using EIB funding.

Subsidised financing

The value proposition of MPS is to position itself as a reference point for the customer with a comprehensive and “ready-to-use” proposition. With the aim of further enhancing the subsidised finance sector and ensuring more widespread and timely support to the Network and customers by increasing the commercial effectiveness of the sector, collaborations were consolidated with counterparts with proven experience in advisory on subsidised finance aimed at:

- guiding companies in the process of relaunch and modernisation;
- providing specialised advice to companies on the sustainability of their business and assist them in obtaining ESG certification;
- offer customers a professional turnkey service: offering customers a “turnkey” professional service: specialised advisory support for the Bank’s corporate customers - with particular attention to those without reference consultants - truly enriching the range of the Bank’s offering with a qualified and distinctive service performed by referenced Counterparties;
- providing a strategic, synergistic and complementary proposal with banking activities.

In order to raise awareness of the possibilities and instruments of subsidised finance, increase contacts and business opportunities and develop innovative methods of engaging companies starting from consulting and not from the product, the Parent Company is engaged in an articulated process of further strengthening the know-how of its network on the potential of subsidised finance.

During 2025, activities continued to support companies in the process of granting incentives under the Agricultural Supply Chain Contracts, both as an Authorised Bank, with the certification of 5 new supply chain contracts and the follow-up of the disbursement phase for the 26 supply chain contracts under implementation, and as a Financing Bank (in a pool with Cassa Depositi e Prestiti) to support investment projects by agricultural companies.

AgriDop Business Development

The Parent Company continued to develop the network of local and national relations in the AgriDop world through specific territorial poles called “AgriDOP Centres” manned by specialised figures with the aim of improving interaction and relations with customers and the territory and seizing the opportunities provided by the NRRP, the various national and regional calls for tenders, offering solutions aimed at accompanying companies towards a development path characterised by innovation, digitalisation and sustainability.

At the end of 2024, there were 21 AgriDOP Centres across the entire national territory, which became 32 in 2025 with the opening of the centres in Catania, Agrigento, Matera, San Marzano, Ascoli Piceno, Foligno, Pistoia, San Vincenzo, Parma, Cremona, Vercelli, with the aim of reaching 45 centres in 2026.

Green Energy Business Development

In December 2025, 19 “Green Energy” Centres staffed by Specialists were open to strengthen presence and proximity to the territory. The aim is to roll out, across the territory, the opening at full capacity of 40 Green Energy Centres, staffed by Specialists.

In 2026, the evolution of the Energy Specialists’ role is also planned, with skills also in the **ESG** segment.

In this context, among other things, a specific financing product called “**Green Energy Loan**” was launched. This is a product designed to support financial needs connected with the construction of plants for producing energy from renewable sources and/or plants for producing biomethane. In particular, by way of example and not exhaustively, investments in the following types of plant may be financed: 1) photovoltaic plants; 2) wind farms and ocean-powered systems; 3) hydroelectric plants; 4) plants powered by biomass from products and by-products of biological origin; 5) plants powered by biogas; 6) geothermal power plants and 7) biomethane production plants.

The financing product is also intended for investments in renewable-source energy production plants benefiting from specific incentives defined within public initiatives, including Agrivoltaics, Biomethane or incentives granted to Renewable Energy Communities (so-called CER).

Factoring

Commercial activity, thanks to the synergistic approach between the Head Office *Factoring* structure and the DTIP (Territorial Directorates for Corporate and Private Customers), has enabled the Bank to best meet customer needs, leveraging the potential of the territorial network and the *know how* of the *factoring* specialists on the ground, supporting the Bank’s *corporate* relationship managers.

During 2025, in the Factoring business, the following were carried out:

- existing factoring relationships were consolidated and expanded through actions aimed at optimising existing lines/credit limits, increasing exclusive contracts and revitalising less-used relationships;
- new assignor relationships were developed for receivables purchase activities and non-recourse factoring, by addressing the needs of customers not yet operating in the factoring sector;
- customers’ needs in the *Supply Chain Financing* sector were supported, enabling optimised liquidity management for the supply chains involved. In particular, activity focused on expanding agreements for Reverse Factoring and Confirming;
- in the Large Corporate market, several transactions of significant size and complexity were completed, thanks to a tailored servicing approach for these customers;

In parallel, the project of gradual technological upgrade of the factoring business continued, thanks to investments made to ensure the evolution of the management platform and the applications connected to it, with the aim of always being aligned with market best practice.

In terms of results, the strong commercial impetus and the new initiatives implemented translated into growth of over 30% in loan volumes and factoring turnover compared with the previous year, a performance well above that of the reference market.

Large Corporate & Investment Banking

Business areas	Customers
• Credit intermediation for specialised follow-up; provision of tailor-made products and services from a coverage team perspective; cross fertilisation of competencies between group resources and corporate financial products and services, including through strategic collaboration with institutional actors. • Corporate finance: mid- and long-term lending, corporate finance and structured finance.	Approximately 1,200 Large Corporate customers of the Parent Company are directly supported by Large Corporate & Investment Banking.

Income statement and balance sheet results

Total Funding of Large Corporate & Investment Banking as at 31 December 2025 amounted to **EUR 14.1 bn**, up by EUR 0.7 bn compared to 30 September 2025, of which EUR 0.3 bn in Direct funding and EUR 0.4 bn in Indirect funding. The aggregate was up by EUR 1.4 bn compared with the end of December 2024, due to an increase in Indirect funding (EUR +1.0 bn) and Direct funding (EUR +0.4 bn).

With regard to lending, as at 31 December 2025, Large Corporate & Investment Banking **gross interest-bearing loans to customers** amounted to **EUR 5.1 bn**, up by EUR 0.5 bn compared to 30 September and by EUR 0.6 bn compared to 31 December 2024.

Large Corporate and Investment Banking - BALANCE SHEET AGGREGATES							
(EUR mln)	31/12/25	30/09/25	31/12/24	Chg Abs Q/Q	Chg % Q/Q	Chg Abs 31/12	Chg % 31/12
Direct funding	4,856	4,507	4,477	349	7.7%	379	8.5%
<i>Assets under management</i>	37	37	38	0	0.4%	-1	-1.4%
<i>Assets under custody</i>	9,162	8,779	8,173	384	4.4%	990	12.1%
Indirect Funding	9,199	8,816	8,210	384	4.4%	989	12.0%
Total Funding	14,056	13,323	12,688	733	5.5%	1,368	10.8%
Gross Interest-bearing loans to customers	5,075	4,623	4,465	452	9.8%	610	13.7%

In terms of income, as at 31 December 2025, Large Corporate & Investment Banking realised **Revenue** in the amount of **EUR 323 mln** (-0.3% compared to 31 December 2024). A breakdown of the aggregate shows:

- Net interest income amounted to EUR 153 mln, down by EUR 12 mln YoY, penalised by the decline in interest rates;
- Net fee and commission income amounted to EUR 70m, an increase of EUR 2m compared to 31 December 2024;
- Other income from financial and insurance management totalled EUR 101 mln, compared to EUR 92 mln in the previous year.

Considering the impact of operating expenses, up by 25.8% compared to 31 December 2024, the **Gross Operating Result** amounted to **EUR 231 mln** (EUR 251 mln as at 31 December 2024).

The **net operating income** stood at **EUR 213 mln** (EUR 194 mln as at 31 December 2024), against a **cost of credit** of **EUR -18 mln** (EUR -57 mln as at 31 December 2024).

Non-operating items amounted to EUR -0.1 mln, in line with 2024.

Profit (loss) before tax from current operations was **EUR 213 mln** (EUR 194 mln as at 31 December 2024).

The **cost income** of *Large Corporate&Investment Banking* stood at **28.4%** (which compares with 22.5% recorded as at 31 December 2024).

Large Corporate & Investment Banking - PROFIT AND LOSS AGGREGATES				
(EUR mln)	31/12/25	31/12/24	Chg. Y/Y	
			Abs.	%
Net interest income	152.9	165.2	-12.3	-7.4%
Net fee and commission income	69.6	67.6	2.0	2.9%
Other Revenues from Banking and Insurance Business	101.0	91.6	9.4	10.3%
Other operating expenses/income	(0.1)	0.0	-0.2	n.m.
Total Revenues	323.3	324.5	-1.1	-0.3%
Operating expenses	(92.0)	(73.1)	-18.9	25.8%
Pre Provision Operating Profit	231.4	251.4	-20.0	-8.0%
Cost of customer loans/Net impairment (losses)-reversals on securities and loans to banks	(17.9)	(57.2)	39.3	-68.7%
Net Operating Income	213.5	194.1	19.4	10.0%
Non-operating components	(0.1)	0.0	-0.1	n.m.
Profit (loss) before tax from continuing operations	213.4	194.1	19.3	9.9%

Main sales initiatives

Large Corporate

For the **Large Corporate** Market, 2025 was a year of consolidation and growth, confirming the role of Banca MPS as a strategic partner for large Italian companies. Commercial activity recorded significant results both in terms of funding and lending, thanks to an integrated approach combining traditional services with high value-added solutions.

The Large Corporate Market strengthened its presence with customers, increasing market share through the management of collection and payment flows, a fundamental lever to support funding and lending; at the same time, targeted development action was launched to extend the customer perimeter, seizing new business opportunities. In parallel, the offering of specialist products and services was expanded, thanks to close collaboration with the Corporate Finance & Investment Banking, Factoring and Foreign structures.

In terms of Direct funding, the Bank consolidated its role in managing corporate liquidity, in line with companies' operating needs and with the aim of stabilising deposit volumes. Alongside this activity, Indirect funding grew, aimed both at corporate customers and at financial institutions. The combination of these initiatives generated a significant increase in volumes compared with the previous year, strengthening the perception of Banca MPS as a reliable counterpart even in a context of declining rates and strong competition.

On the lending side, constant support to companies was ensured, with particular attention to credit quality and risk management. Interventions supported by guarantees, in particular **SACE**, were prioritised, maintaining control over pricing and the containment of **RWA**. Loans covered all productive sectors, with a focus on the **agri-food** segment,

fostering the growth of supply chains and sustainable transformation. In addition, the search for opportunities linked to ESG investments intensified, in line with sustainable development strategies.

The offering was further enriched by strengthening **factoring** solutions, both direct and indirect, and by integration with **structured finance and risk hedging** services. Collaboration with the **Foreign function** made it possible to support companies in internationalisation processes, carrying out transactions with top-standing counterparties on global markets. This approach made it possible to seize opportunities even in a complex macroeconomic and geopolitical scenario, characterised by tensions in supply chains and evolving export/import dynamics.

The year 2025 closed for the Large Corporate Market with **solid results and strengthened operating synergies**, confirming the Market's ability to act as the benchmark commercial bank, integrating specialist expertise and innovative solutions. Looking ahead, the priority will be to **consolidate and further expand results in the reference market** and further develop high value-added products, in line with the Group's sustainability and digitalisation strategies. The aim is to continue to be a **proactive partner for companies' growth**, even in complex and rapidly evolving market scenarios.

Corporate finance

Project Financing and Real Estate – In 2025, the Bank has confirmed its positioning amongst the leading banks in Italy for loans to the renewable energies sector and for infrastructure using Project Financing, as well as in the Real Estate sector with significant initiatives for property reclassification and qualified institutional customers (e.g. Real Estate Funds). Among the loans finalised in 2025 to be noted are:

Project Financing & Energy

- loan to Sardinia Agro Solar Energy S.r.l. (Futura Group), aimed at the development of an advanced agrivoltaic system located in Sardinia with 45.4 MWp capacity, with an associated battery energy storage system (BESS) of 24 MW. The transaction involved the granting of project finance-based financing, structured into several credit lines, for a total amount of EUR 46.25 mln, in which Banca MPS participates with a EUR 10 mln share and assumes the role of Lender, Mandated Lead Arranger and Hedging Bank;
- loan to Lucania Wind Energy S.r.l. (Green Arrow Capital Group) for the refinancing of a 39 MW wind farm located in the Province of Potenza. The transaction involved the granting of project finance-based loan, structured into several credit lines, for an amount of EUR 41.5 mln, in which Banca MPS acted as Lender with a majority share (a total share of EUR 36.5 mln) and the roles of Mandated Lead Arranger, Hedging Bank, Depositary Bank and Agent Bank;
- loan to CH1 S.r.l. (a company attributable to the Azimut group) aimed at the construction of a plant for the production of advanced biomethane from agricultural by-products and livestock waste, with a capacity of 500 Smc/h, located in the Municipality of Melfi. The transaction, for a total amount of EUR 22.15 mln, was fully subscribed by MPS, which acted as Mandated Lead Arranger, Hedging Bank, Depositary Bank and Agent Bank;
- financing for Enrit Agri 1 S.r.l. aimed at the construction of a portfolio of 29 MWp agrivoltaic plants located in the Basilicata Region. The transaction, with a total value of EUR 37.8 mln, was subscribed in a pool with Banco BPM, with an MPS share of EUR 18.9 mln. Under the transaction, MPS acted as Structuring Mandate Lead Arranger, Depositary Bank, Hedging Bank and Agent Bank;
- loan to Bio Agri Enterra S.r.l. aimed at the development of an anaerobic biodigestion plant for the production of biomethane fuelled by agro-livestock and agro-industrial by-products. The loan, totalling EUR 21 mln, was fully underwritten by MPS;
- loan to Ef Solare Italia S.p.A. aimed at refinancing the Company's fully operational portfolio of photovoltaic plants (850 MW capacity), financing the revamping/repowering of part of that portfolio and financing a pipeline of greenfield photovoltaic plants with a capacity of around 168 MW, located in Italy. The transaction also provides for the financing of capital contributions to the sub-holding Renovalia Energy Group (owner of the Spanish brownfield portfolio of around 320 MW) for the development of the Spanish greenfield portfolio of around 900 MW. The financing operation was finalised in a pool for a total amount of EUR 1,682 mln, in which Banca MPS participated with a EUR 78 mln share;
- loan to N-Sun Italy Energy Advisors 2 S.r.l. aimed at the development of 5 renewable energy plants in Italy (4 photovoltaic and 1 agrivoltaic) with a total installed capacity of 275 MWp, located in Sicily, Puglia and Lazio. The financing operation was finalised in a pool for a total amount of EUR 320 mln, in which Banca MPS participated with a EUR 32.5 mln share.

Infrastructure and Real Estate

- Loan to San Gallo DVP Srl, a special purpose vehicle established by leading national and international high-standing hospitality operators, to support the financing needs arising from the redevelopment programme of the former San Gallo Military Hospital in Florence, located in the historic city centre, involving the development and operation of a 5-star superior hotel as well as a complex of “branded” residences to be sold. The financing was structured in a pool with leading credit institutions for a total amount of EUR 96.5 mln – MPS share EUR 32.2 mln. MPS also acts as Lead Bank and Account Bank, as well as Hedging Bank for the transaction.
- medium- to long-term loan to Armon SpA, the project company holding the concession for the Concession Agreement for the construction and operation of the extension of Montecchio Hospital. The financing was structured by MPS and underwritten in a pool with CDP for a total amount of EUR 37.4 mln. MPS, with a 50% share, acts as Lead Bank, Agent Bank and Depositary Bank of the project accounts, as well as Hedging Bank for the entire transaction.
- medium- to long-term loan to support the renovation programme of Palazzo Donà Giovannelli, to be converted into a 5-star luxury hotel, located in Venice, Italy's third tourist destination after Rome and Milan. The hotel will comprise 47 rooms under the “Orient Express” brand, and will be managed by O.E. Management Company S.A.S., a leading international company, under a Hotel Management agreement. The loan was structured and fully subscribed by MPS for a total of EUR 75.0 mln, acting as Hedging Bank and Agent Bank for the transaction. Once the loan underwritten, a portion thereof amounting to EUR 25.0 mln was transferred to another institution.

Acquisition Finance – During 2025, in a market environment that is still particularly positive with regard to M&A and private equity activity, the Acquisition Finance function has once again confirmed its significant competitive positioning in acquisition and leveraged finance activity, particularly in the Mid Corporate segment, for transactions characterised by strong industrial connotations and significant commercial repercussions for the MPS Group.

Indeed, origination and structuring activities continued for acquisition transactions to support counterparties of primary standing, focusing on industrial integrations carried out by corporate operators and also maintaining a strong foothold in the market for LBOs promoted by the leading private equity operators in Italy.

Some of the main transactions organised and financed with the role of MLA were:

- acquisition of **Powering** - *leading player* in the *business* of renting medium and large *power generators* from 10 to 2,000 kVA, with a fleet of approx. 1,300 units, extensive *logistics network* and a high level of service and intervention monitoring - by the private equity operator Arcus Infrastructure Partners (LBO);
- acquisition of **Lucart** - *leading player* in the production of AFH paper disposables and, more generally, products for personal hygiene, domestic use and professional use (placemats, towels, household paper, toilet paper, etc.), marketed through the three reference channels: (i) B2B, (ii) *Consumer* and (iii) *Private Label* - by the private equity operator **Azzurra Capital** (LBO);
- acquisition of **Westrafo** - a company of primary standing active in the design and production of medium- and high-voltage power transformers, specialising in FR3 natural oil cooling technology for greater sustainability and performance - by the private equity operator **Nextalia SGR** (LBO);
- acquisition of **Millefili** - company *leading* in the production and distribution of high-quality yarns, with a strong *focus* on sustainability, traceability and customisation - by the private equity operator **Armònia SGR** (LBO);
- acquisition of **Domixtar Pharmaceuticals** - leading Italian group operating in the pharmaceutical sector as a developer and contract manufacturer of finished dosage forms (Final Dose Formulation, “FDF”) - by the private equity operator **Azzurra Capital** (LBO);
- acquisition of the business unit in which *Kraft Heinz Corporation* (seller) has transferred brands and assets belonging to **Plasmon, Nipiol and Dieterba** to **NewPrinces** (one of the leading Italian agri-food groups listed on the Milan and London Stock Exchanges), a transaction which represents, for the latter, an important industrial opportunity and further development through M&A aimed at expanding its brand and product portfolio (Corporate Acquisition);
- acquisition of a significant stake in **Piazza Italia** - fashion company, wholly owned by the Bernardo family, which has become over time a benchmark in the *fast fashion retail* in Italy - by **LB Holding** (a company attributable to

entrepreneur Luigi Bernardo, former reference shareholder of Piazza Italia itself), a transaction falling within a redefinition of Piazza Italia's ownership structure (Family Buy-out);

- acquisition of a significant stake in **EG Italia** - one of the largest fuel distributors in the Italian market, previously 100% controlled by EG Group, in turn one of the leading international operators in the sector - by **Vega Carburanti** (one of the leading Italian operators in the fuel distribution sector), a transaction which represents, for the latter, an important strategic and industrial opportunity aimed at further consolidating its leadership in its reference Italian market (Corporate Acquisition).

Corporate Finance – In a global context affected by uncertainty regarding international tariff policies, as well as instability linked to ongoing conflicts, and the progressive stabilisation of raw material and energy prices, lending activity in financial year 2025 continued to develop steadily, in particular in support of Group companies belonging to the Large Corporate, Corporate Client and SME service models, both for investments and for the optimisation of the financial structure, also through the use of guarantee instruments made available by SACE. As regards sectors of activity, the loans closed involved companies operating in the industrial sector (machine tools, shipbuilding, components, semi-finished wood products, food), services (tourism and hospitality, services and facility management, GDO), utilities (multi-utilities, SII operators, waste management, electricity and gas sales), infrastructure (motorway infrastructure) and shipping and real estate. Among the loans finalised in 2025 to be noted are:

- the underwriting of a syndicated loan, with the roles of Coordinating Bank (together with other institutions), Financing Bank and Agent Bank, for over EUR 750 mln (of which over EUR 150 mln was subscribed by the Parent Company), in favour of a leading multi-utility in Central Italy. The financing transaction, alongside which a bond loan subscribed by an institutional investor for EUR 200 mln was arranged, supports the refinancing of existing financial indebtedness as well as the growth of the multi-utility and the companies in its corporate group. The investment support facility is backed by a SACE Guarantee;
- the structuring and subscription, as sole lender, of financing totalling EUR 35 mln, in favour of a vehicle belonging to a holding company heading a real estate group, which owns land in a provincial capital in the North-East where a student residence will be developed;
- the construction costs of the property, for which a preliminary sale agreement has already been signed with an important international institutional investor: joint venture between one of the world's top 5 asset managers and a major Austrian real estate developer specialising in student living.

Investment Banking

The Bank continued to assist its reference customers, supporting companies as financial advisor in transactions involving the development of extraordinary finance.

As regards the capital market, Investment Banking activity assisted companies, both Large Corporate and SMEs, in raising resources through the issuance and placement of bonds, both in public form and via private placements and, in some cases, also with the specific characteristics of the ESG format.

In this regard, the Bank acted as Arranger and Placing Agent for the issuance of a EUR 45 mln Sustainability-Linked Bond by a leading Group belonging to its reference SME customer base, with the securities simultaneously admitted to trading on the Euronext Access Milan market.

As regards the SSA segment, the Bank supported recourse to the debt market, confirming its recognised role among the leading operators in placement syndicates, both as Joint Lead Manager and Bookrunner for Italian government securities and agencies, and as Co-Lead Manager, also contributing to the placement of euro-denominated supranational securities.

Alongside participation in placement syndicates, during 2025 the Bank supported and participated actively, both as Dealer and Co-Dealer, in funding operations through the issuance of Government Securities dedicated to retail customers.

Client Driven Finance

During 2025, activities in the markets and with institutional and corporate customers achieved excellent results, characterised by highly diverse trends.

The Sales and Financial Solutions function continued to channel flows of institutional and corporate customers across the entire range of business lines.

Activity with institutional customers recorded positive performance in most business lines. The secondary market bond trading segment recorded a significant increase compared with last year. The derivatives business also experienced a significant increase in volumes and revenues on a yearly basis, in line with the dynamics of the industry as a whole. On the primary market, revenues were in line with last year thanks to the Bank's involvement by the Italian Treasury in the roles of Joint Lead and Co-Lead Manager of syndicated issues. The auction segment declined.

Hedging transactions for the Bank's corporate customers recorded a marked increase in volumes and revenues across all business lines (interest rate, foreign exchange, commodities and flexible solutions), in light of the dynamics observed during the year in terms of volatility across the various segments.

In particular, with regard to interest hedging, there was a marked increase in interest rate hedges due to both the particular market situation (negative slope of the rate curve) and the contribution of specialised lending transactions structured by the CIB with customers in the Corporate and Large Corporate service models.

The Market Execution structure continued the execution of orders transmitted by Network customers, institutional customers and by Widiba.

The Global Markets structuring team has continued to seek solutions for investment products suited to market conditions: the level of interest rates made it possible to offer both the retail and private segments of the Group solutions designed in collaboration with insurance partner AXA, which proved innovative and competitive both versus the bond segment and the balanced segment; the structured funds business line, reopened during 2024, mirrored the Group's excellent performance across the entire asset management segment; lastly, there was positive momentum in the structuring of Investment Certificates dedicated to Group customers (both Institutional/Corporate and retail/private).

Portfolio management in support of client-driven activity continued with careful risk management, with VaR metrics and operating limit utilisation in line with previous quarters.

Network coverage

In 2025, in continuity with the organisational implementation begun in the previous year, the CIB Coverage function, reporting directly to the Marketing, Sales & Coverage structure, continued its specialised support activities for Banca MPS's commercial network, oriented towards the growth of loans and commissions in the corporate market, through Corporate & Investment Banking (CIB) products, in the area of specialised finance and the capital market.

Corporate Centre

The Corporate Centre includes:

- the income statement and balance sheet results of non-performing customers managed centrally by the Non-Performing Loans Unit;
- operating units, such as proprietary finance, treasury and capital management;
- business service and support units, particularly with regard to the development and management of information systems;
- the offsetting of intragroup entries and the results of the companies consolidated under the equity method and those held for sale, in particular MP Banque.

With regard to Non-Performing customers centrally managed by the Non-Performing Loans Unit, as at 31 December 2025, gross interest-bearing loans to customers amounted to EUR 1.3 bn; The contribution to the Corporate Center financial results was EUR 3 mln in Revenues, EUR -52 mln in operating expenses and EUR -22 mln in Credit Costs.

With regard to financial operations, securities sold during 2025 amounted, in terms of nominal value, to EUR 4,026 mln, of which EUR 1,634 mln were classified at amortised cost and EUR 2,392 mln were classified at fair value with impact on the Statement of Comprehensive Income; Securities with a nominal value of EUR 149 mln matured, of which EUR 146 mln are classified under financial assets measured at fair value through other comprehensive income. Offsetting this, securities were repurchased for a total nominal amount of EUR 4,199 mln, of which EUR 2,206 mln were classified at amortised cost and EUR 1,993 mln were classified at fair value with an impact on the Statement of Comprehensive Income.

Mediobanca Group

As already stated for the Mediobanca Group, the effects of the acquisition were recognised starting from 30 September 2025. Accordingly, the contribution of the Mediobanca Group to the consolidated income statement starts from the October–December 2025 quarter.

Business areas	Customers
The areas of <i>business</i> are: • Wealth Management (WM) – which encompasses asset management and savings management activities for the various customer segments. The division includes MB Premier; the Private networks of MBPB and CMB Monaco, and the Asset Management companies (Polus Capital, Mediobanca SGR, Mediobanca Management Company, and RAM Active Investments) as well as Spafid; • Consumer Finance (CF), which offers retail customers the full range of consumer credit products, from personal loans to salary-backed loans (“cessione del quinto”), as well as buy now pay later through the Heylight platform (Compass Banca, Compass RE and HeyLight SA, MBCredit solutions); • Corporate and Investment Banking (CIB) – which provides services to corporate clients in the areas of: Large corporate lending, Investment Banking (advisory and Capital Market activities) and trading (activities carried out by Mediobanca and Mediobanca International, Mediobanca Securities, Messier et Associés, Arma Partners and Specialty Finance, the latter comprising factoring and third-party leasing carried out by MBFACTA and Selma; • Insurance - <i>Principal Investing (PI)</i> which manages the Group’s portfolio of equity investments and securities.	As at 31 December 2025, Mediobanca Group customers totalled 3.9 mln and were broken down into around 3.2 mln managed by Consumer Finance, around 0.7 mln managed by Premier Retail, around 4 thousand customers by Premier Corporate and around 15,000 Private customers.

Income statement and balance sheet results

As at 31 December 2025, the Mediobanca Group’s **total funding** amounted to **EUR 153.8 bn**, up by **EUR 0.6 bn** compared with 30 September 2025. More specifically:

- **Direct funding**, up by EUR 0.4bn compared with 30 September 2025, amounted to EUR 68.8 bn (total value, including bonds placed on the institutional market), of which EUR 30.3 bn attributable to the commercial network;
- **Indirect funding**²², amounting to EUR 85.0 bn, up by EUR 0.2 bn compared with 30 September 2025, is made up of:
 - Assets under management (AUM) amounting to EUR 53.9 bn, up by EUR 0.7 bn compared with 30 September 2025;
 - Assets under custody (AUC) amounting to EUR 31.1 bn, down by EUR 0.5 bn compared with 30 September 2025.

²²Excluding assets under fiduciary management

With regard to lending activity, **gross interest-bearing loans to customers** amounted to EUR 62.4 bn, up by EUR 1.3 bn compared with 30 September 2025.

Mediobanca Group - BALANCE SHEET AGGREGATES							
(EUR mln)	31/12/25	30/09/25	31/12/24	Chg Abs Q/Q	Chg % Q/Q	Chg Abs 31/12	Chg % 31/12
Direct funding	68,819	68,396	4,477	422	0.6%	64,341	n.s.
<i>Assets under management</i>	53,929	53,262	48,240	667	1.3%	5,689	11.8%
<i>Assets under custody</i>	31,070	31,555	30,357	-485	-1.5%	713	2.3%
Indirect Funding	84,999	84,817	78,596	182	0.2%	6,403	8.1%
Total Funding	153,818	153,213	83,074	604	0.4%	70,744	85.2%
Gross interest-bearing loans to customers	62,441	61,121	4,465	1,320	2.2%	57,976	1298.5%

On the income side, in Q4 2025 the Mediobanca Group contributed **Revenues** of **EUR 883 mln**, including Net interest income EUR 473 mln, Net fee and commission income EUR 206 mln and Other income from financial and insurance management EUR 190 mln.

Taking account of Operating expenses of EUR 419 mln, **Gross Operating Result** amounted to **EUR 464 mln**. **Net operating income** amounted to **EUR 391 mln**, against a **Cost of credit** of **EUR -72 mln**.

Non-operating items amounted to EUR -16 mln and the **Profit (loss) before tax from current operations** amounted to **EUR 376 mln**.

The Mediobanca Group's **cost income** ratio stands at **47.5%**.

Mediobanca Group - PROFIT AND LOSS AGGREGATES	
(EUR mln)	31/12/25
<i>Net interest income</i>	472.6
<i>Net fee and commission income</i>	206.3
<i>Other Revenues from Banking and Insurance Business</i>	190.3
<i>Other operating expenses/income</i>	13.5
Total Revenues	882.7
<i>Operating expenses</i>	(419.0)
Pre Provision Operating Profit	463.7
<i>Cost of customer loans/Net impairment (losses)-reversals on securities and loans to banks</i>	(72.2)
Net Operating Income	391.5
Non-operating components	(15.9)
Profit (loss) before tax from continuing operations	375.5

Main sales initiatives

CONSUMER FINANCE

In 2025, the Italian consumer credit market continued the growth path started last year, albeit at a progressively more moderate pace. Total market flows increased by around 6.7% as growth gradually normalised (+7.5% in 2024). Against this backdrop, Compass recorded growth in financed amounts of around +8.1%, about 1.4 percentage points above the market, thus maintaining a high and broadly stable market share of around 13.8% in 2025 year to date, with a profile that is more stable and less volatile than the sector average. The company pursued more selective and balanced growth, managing to defend market shares in a competitive environment marked by greater pressure on volumes and increasing polarisation among operators. By product segment, personal loans are the main driver of growth: the segment is growing at a pace close to 13.3% year on year, outperforming the market average and contributing significantly to Compass volumes as well. Salary/pension-backed loans were also positive, with flows growing by around +17.8%. More subdued was the performance of point-of-sale finance for the purchase of goods, including the car and motorcycle segment, which posted limited growth and was penalised by the difficulties in the automotive sector. There has been a growing spread of alternative deferred payment solutions (BNPL).

Growth in the last quarter was driven mainly by personal loans, which remain the most dynamic component, and by salary/pension-backed loans. Both offset some less buoyant areas such as loans earmarked for the purchase of cyclical goods (e.g. new cars), which showed more muted performance even in the fourth quarter. Credit supply conditions were influenced by lower interest rates and a macroeconomic backdrop supportive of household activity.

CIB

The European M&A market closed 2025 with announced deal volumes up 31% on 2024, thanks to an acceleration in activity in the second half of the year, which recorded a 52% increase (the fourth quarter ended with volumes higher than the same period in 2024, although with a lower growth rate than that observed in the previous quarter). In particular, over the twelve months there was increased activity by private equity players (whose volumes in 2024 grew by 49%) and a recovery in strategic corporate activity (+22%), driven by large transactions (deal value above USD 500 mln), whose volumes grew by 42%. At the same time, there was a slight decline in the number of announced deals, down 2%, driven by a contraction in the number of mid-small transactions (deal value below USD 500 mln), down 11%; conversely, the number of large transactions increased by 10%.

The Italian market confirmed the positive trend observed in previous quarters, with a 34% increase in announced deal volumes. A significant increase in volumes was also observed in Spain, up 66%, France, +42%, and Germany, +28%, while growth in the United Kingdom was more moderate, at +4%; it is worth noting some recovery during the quarter in Spain and France.

In this market context, Mediobanca confirmed its position as the leading advisor in Italy, taking part in the most important announced transactions, and strengthened its international profile by completing a total of 41 transactions in the half-year (23 in the last quarter).

Among the main transactions completed in Italy, in the Energy sector the disposal by F2i of a stake in Sorgenia to Sixth Street Partners and the acquisition by a consortium led by Pad Multienergy of EG Group's Italian operations stand out; in the Healthcare sector, the acquisition by Renaissance Partners and Aurora Growth Capital of 100% of Genetic; in the Consumer sector, the disposal by Campari of the Cinzano vermouth and sparkling wine business to Gruppo Caffo 1915; and in the Mid-cap segment, the disposal by A.I.P. Italia of a majority stake in A.L.A. to H.I.G Capital and the disposal by *Xenon Private Equity* of Orion to PAI Partners. With regard to Advisory activity at European level, in Germany the acquisition by Adagia Partners of AGN Niederberghaus und Partner and the acquisition by EMZ Partners of koenig.solutions stand out, and in the French market the acquisition by Nexans of Electro Cables.

In the Digital Economy sector, Arma Partners confirmed itself among the leading advisors in Europe with eight transactions completed in the quarter: the software segment was particularly active, where among the most significant transactions the firm advised on the sale of Hornetsecurity to Proofpoint by TA Associates, PSG Equity and Verdane, the

acquisition of Smart Communications by Cinven, the acquisition of Signaturit by Namirial and KKR's investment in Infobric.

The good performance of Advisory should continue, despite a macroeconomic and geopolitical scenario characterised by high uncertainty, in light of transactions announced on the domestic and international market, including in the TMT sector the disposal of Sparkle by TIM to a consortium formed by MEF and Retelit and the acquisition of Tinexta by Nextalia and Advent International; in the Industrials sector the disposal to Lone Star of RadiciGroup's Business Areas Specialty Chemicals and High Performance Polymers and the acquisition by Ariston Group of Riello Group; in the Energy sector the disposal by Eni of a stake in Plenitude to Ares Management; in the Consumer sector the disposal by Permira of Golden Goose to HSG and Temasek; in the Infrastructure sector the acquisition by Ardian and Finint of Milione from DWS and InfraVia; and in the Digital Economy sector the disposal of Solvinty by Vitruvian Partners to Kyndryl.

With regard to Debt Capital Markets, Mediobanca completed a quarter that continues to be characterised by persistent investor-side liquidity coupled with lower issuance volumes (especially in the domestic market) compared with what was observed in the first half of the calendar year. In particular, Mediobanca took part in some of the largest senior and subordinated bond issues for both corporate and financial institutions in Italy (including Inwit, ASTM, A2A, ITAS Mutua, Banco Desio, BMPS, Poste Italiane) and in other core markets (including Redeia, Swisscom). Within the Lending business, the high liquidity of the financial system and persistent competition among banks helped keep pricing levels compressed and, at the same time, continued geopolitical tensions are slowing companies' extraordinary activity. In this context, support for Italian and international clients has continued, including Port Liberty, Ferrara Candy, Leonardo and Ferrari. In addition, Mediobanca aims to integrate fees in the debt area with underwriting and acquisition financing activities, as well as with debt advisory mandates.

Fixed Income Trading recorded a relatively mild decline, given the context of low credit volatility, relatively tight rate spreads and the seasonality and adverse conditions for the issuance of structured products. Mediobanca maintained a prominent role in the placement of Italian government securities. Client intermediation with institutional customers remains solid, with Mediobanca involved in transactions between both domestic and international counterparties. Bespoke activity on government securities also continued to grow steadily, supported by the expansion of the service to not only domestic but also international clients. Mediobanca confirmed itself among the leading operators in the repack market for government securities, standing out for its strong trading capabilities and innovative approach to structuring transactions. Given the adverse market context of low volatility and liquidity for the business lines of structured products and arbitrage monetisation, the desk continued to work on new products (leveraged certificates, CLC repack and formula-based funds, and BTP repack) and new asset classes for arbitrage business, which will allow the division to position itself favourably for the following quarter even if market conditions remain unchanged. It is worth noting the increase in volumes traded by the desk of market making, particularly in financial AT1 bonds. Lastly, revenues generated by the Equity Trading Desk were supported by placements of Equity Certificates, increasing its market share with third-party networks and growing bespoke activity with family offices and HNWI. Equity intermediation with institutional clients remains solid.

WEALTH MANAGEMENT

Overall, the market environment was favourable, albeit still affected by the instability generated by action taken by the US government. The European economy regained momentum thanks to the normalisation of trade with the United States and greater macroeconomic stability; equity prices remained on an upward trend with low volatility, repeatedly reaching record highs; interest rate movements during the period were limited, with a stable monetary policy by the European Central Bank and a loosening stance by the Fed. Euro Area sovereign credit spreads declined during the period, with the exception of French spreads, which almost fully retraced the widening recorded in the first quarter due to the institutional impasse. Over the half-year, precious metal prices rose significantly which, in the market's view, would alone offset any corrections in risk assets.

The Private segment maintained its focus on offering investment solutions for UHNWI clients in both Public Markets and Private Markets. In the latter, placement of evergreen private credit funds continued, in collaboration with international partners, including Blackstone European Private Credit (ECRED), Morgan Stanley European Private Income Fund (EPIF),

Apollo European Private Credit (AEPC), Blackstone BXPE Private Equity and the new EQT ENIF Infrastructure fund, alongside existing strategies, with total funding of EUR 76 mln during the quarter.

As regards the offering in Public Markets, certificate issuance picked up compared with the previous quarter; Portfolio management mandates, including Customized Managed Accounts, an evolved and customised version of traditional portfolio management mandates, recorded outflows of more than EUR 350 mln in the quarter.

As regards the Premier segment, placement of the funds under discretionary management delegation of the Group's SGR in partnership with leading international Asset Managers continued, with total net inflows of almost EUR 160 mln in the quarter. In December, placements of target maturity funds also concluded, totalling more than EUR 200 mln, of which more than half related to Mediobanca Selezione Cedola III edizione and RAM High Income Credit Opportunities TMF 2030.

In Alternative Asset Management, Polus reached assets under management of EUR 10.6bn (EUR -0.2 bn in the quarter). It is worth noting that the target for the first Special Situations fund has been exceeded (EUR +150 mln, stock of almost EUR 900 mln); The future pipeline remains solid, with further CLO currently in warehousing both in the United States (CLO US III for USD 400 mln priced in December, with closing on 8 January) and in Europe, where the capital from the Polus Loan Investments III line will be used (commitment of EUR 425 mln).

RAM AI recorded consistently positive inflows over the three months, with assets under management exceeding EUR 2 bn, up by around EUR 140 mln in the quarter; in particular, the good performance of the Emerging Markets Equities funds is noted (+EUR 48 mln, with annual performance of +31.4% vs a benchmark of 33.6%), RAM Mediobanca Strata Credit (EUR +27 mln with total return performance of +4.5%) and European Market Neutral Equities (EUR +1 mln, with performance of +8.6% vs a benchmark of 12.6%).

Overall, the distribution structure comprises 1,365 units, of which 1,225 in the Premier segment split into 521 bankers and 704 financial advisors, distributed across 95 branches and 116 outlets; During the quarter, the network recorded 28 net exits concentrated in the employee network (-27); the financial advisor network proved more resilient (-1). The Private segment stands at 140 bankers (146 in September); During the quarter, there were 6 net exits, concentrated in the Italian segment.

Equity investment management

During 2025, following a voluntary full Public Tender and Exchange Offer launched for the ordinary shares of Mediobanca – Banca di credito finanziario S.p.A., the Parent Company acquired 86.35% of the related share capital. As a result of this transaction, the Banking Group recorded the entry of Mediobanca S.p.A. itself and its subsidiaries.

The transactions carried out during the financial year, excluding those of the Mediobanca Group, are set out in detail below.

Acquisitions and Capital Increases

- The Parent Company received a further 116 Visa Inc. Preferred class shares. A. following the partial conversion of Visa Inc. Preferred Class C shares, previously acquired as part of the transaction for the sale of Visa Europe to Visa Inc.
- 110.47 shares of Società Consorzio per la Tutela del Credito S.c.a.r.l. were assigned free of charge following the withdrawal of other consortium members.
- The Parent Company and its subsidiary Widiba S.p.A. exercised their option rights as part of the capital increase of investee C.B.I S.c.p.A, a benefit corporation; the Parent Company also subscribed part of the unsubscribed portion, bringing its ownership interest to 5.56%, while Widiba S.p.A. kept its ownership interest unchanged at 0.08%.

Disposals

- The following shareholdings were disposed of: Bancomat S.p.A. (4.32% of the share capital) and CPL Concordia Soc. Coop. (4.19% of the share capital).
- The interest in Banca d'Italia was partially disposed of (from 2.50% to 1.83% of the share capital) and the partial disposal of the interest in Campus Bio Medico S.p.A. continued (from 0.59% to 0.53% of the share capital).
- Upon completion of the respective voluntary liquidations, the stakes held in: Aiace Reoco S.r.l. in liquidation (100%) and Società per la Promozione del Mercato Mobiliare Sud Est S.p.A. (4.32%).

Controlling interests and associates of Mediobanca S.p.A.

Following the entry of Mediobanca S.p.A. into the Banca Monte dei Paschi di Siena Banking Group, which took place on 15 September 2025, the perimeter of equity investments remained substantially unchanged; however, please note:

- the increase in share capital of Compass Banca S.p.A.'s subsidiary, Heylight AG, for EUR 3.2 mln;
- the change in the consolidation percentage of Assicurazioni Generali S.p.A. from 13.46% to 13.55% as a result of the company's buyback.

Prospects and outlook on operations

In the coming quarters, with interest rates expected to remain low, bank credit growth should confirm the recent pace of expansion. While an investment cycle dampened by weak construction activity and high international uncertainty may weigh on corporate demand, loans to non-financial companies will benefit from the consolidation of investments in plant and machinery linked to the NRRP (National Recovery and Resilience Plan). Household credit is expected to grow at a stronger pace, with the recovery in households' purchasing power continuing to support consumption and to consolidate mortgage lending flows, also supported by the strengthening of the property market. Despite a backdrop of global instability, credit risk is expected to remain contained, helped by the sound financial position of companies and the resilience of households' disposable income; the cost of risk is expected to edge up gradually, but at levels that are manageable for the banking sector.

Direct funding is expected to grow moderately, with deposits broadly stable, reflecting current account dynamics and the modest recovery in the term deposit component. Bank bonds are expected to grow at a more solid pace. Households' prudence and the continued search for yield should continue to favour a reallocation of portfolios towards government securities and assets under management (AUM).

At system level, although with less intensity than in the recent past, net interest income is expected to decline in the coming quarters, with the customer margin potentially affected by a further narrowing of the banking spread despite the weak recovery in credit volumes. Net fee and commission income is expected to grow with the contribution of income from savings management and intermediation, which may reflect increased household investment, the evolution of stock under management through the banking channel and greater penetration of advisory services. Also at system level, following the recent increase, operating costs are expected to decrease in the coming months and then stabilise thereafter. Personnel expenses are expected to decrease as the extraordinary components, also linked to M&A announcements, unwind, together with savings stemming from the progressive optimisation of headcount and generational turnover. Other costs are expected to record limited growth, driven by the structural impact of increased IT investments for the renewal of applications, AI, digitalisation and cybersecurity, as well as by regulatory compliance requirements (i.e. the Digital Operational Resilience Act, Financial Data Access, etc.). Higher IT and professional services expenses could be partly mitigated by cost synergies from consolidation transactions and by savings in other expense items. The profitability outlook for Italian banks remains positive, with the sector's ROE still expected at high levels.

In this context, over the coming months, the integration between MPS and Mediobanca will take place, on the basis of the new 2026-2030 Industrial Plan, approved by the Parent Company's Board of Directors on 26 February 2026. The integration will aim to achieve significant synergies, enhancing the people, skills and distinctive assets of the two Groups.

In 2026, Group revenues are expected to benefit from the positive trend in commission income, supported by the implementation of the commercial initiatives set out in the new Industrial Plan. Net interest income is expected to benefit from volume growth, supported by the gradual development of synergies.

With regard to operating costs, rationalisation and efficiency measures will continue with a focus on containing the impact of inflation on other administrative expenses and, in terms of personnel expenses, the effects of the renewal of the national collective labour agreement and retention measures.

The cost of risk will be strictly monitored, maintaining high standards of lending and continuing to improve the monitoring process.

Sustainability Reporting

Section 1 - General Information

ESRS 2 - General disclosures

Basis for presentation

General Criteria for the drawing up of the Sustainability Statement

[BP-1]

This Sustainability Statement (hereinafter also referred to as the "Statement" or "CSS") is prepared on a consolidated basis, in compliance with Directive (EU) 2022/2464 on corporate sustainability reporting ("CSRD"), with Commission Delegated Regulation (EU) 2023/2772 (European Sustainability Reporting Standards) and with Legislative Decree 125/2024, which transposed the aforementioned Directive into Italian law.

The scope of consolidation of the Sustainability Statement coincides with that of the Consolidated Financial Statements and therefore includes the Parent Company (hereinafter also the "Bank") and the subsidiaries fully consolidated in those financial statements (hereinafter also the "Group"). From 15 September 2025, the scope of the Montepaschi Group expanded following completion of the public tender and exchange offer launched by Banca Monte dei Paschi di Siena S.p.A. for Mediobanca – Banca di Credito Finanziario S.p.A. For more details on the companies included in the Statement's scope, please refer to Part A Section 3 – "Scope and methods of consolidation" of the Notes to the Consolidated Financial Statements.

The Mediobanca Group will prepare and publish its own sub-consolidated sustainability report, as it is a large undertaking with more than 500 employees and financial instruments listed on regulated markets in the European Union. The other subsidiaries included in the consolidation are not subject to the requirement to prepare individual sustainability reporting in accordance with the provisions of Legislative Decree 125/2024, Article 7, paragraph 1, as they do not meet the requirements set out by the regulations and are included in the consolidated sustainability statement of the Parent Company. The Sustainability Statement covers the segments of the Group's upstream and downstream value chain and own operations, and takes into account the related assessment of identified impacts, risks and opportunities ("IRO").

The Group did not opt:

- to omit a specific disclosure related to intellectual property, know-how or innovation results (see ESRS 1, Section 7.7 Classified and sensitive information and information on intellectual property, know-how or results of innovation)
- to use the exemption from disclosure of information concerning upcoming developments or matters concerning trading, pursuant to Articles 19-bis (3) and 29-bis (3) of Directive 2013/34/EU.

The Statement contains information only on the data points required by the ESRS identified as material following the double materiality assessment and therefore mandatory under these standards. References to the specific sections of the Statement in which they are addressed are provided in the section "Table of Contents". Wherever possible, the Group has made use of the principle of "Incorporation by Reference" to ensure its integration within the Report on Operations.

The Sustainability Statement also contains the information considered appropriate to be disclosed to the United Nations Agency (UNEP) and the progress made in implementing the Principles for Responsible Banking following the Group's voluntary adherence in 2019.

The Statement is subject to limited Assurance.

Disclosure in relation to specific circumstances

[BP-2]

Value chain estimation

The metrics reported in the Report which include value chain data through the reprocessing of indirect information regarding Scope 3 greenhouse gas emissions, included within Section 2 - Environmental Information. The direct calculation of these emissions requires data and information on the Group's customers, suppliers and business partners. According to the reporting principles, where direct value chain information cannot be gathered through reasonable efforts, it must be estimated using information from indirect sources.

Below are the limitations on the value chain data underlying the Group's decision to use estimated data:

- Regulatory limitations on data and information to be considered for financial institutions belonging to the Group's value chain;
- Restrictions on access to and sharing of information related to actors in the value chain;
- Limitations on the reliability and quality of information about the actors in the value chain related to the possible lack of technical expertise of the actors involved.

In order to improve the level of accuracy of the indicated metrics related to the value chain, the Group periodically assesses the updating of the calculation methodology, particularly with reference to the conversion factors used, so that they are in line with the national and international protocols applied (detailed in the paragraph previously indicated within Section 2 – Environmental Information).

The Group is committed to constantly improving the accuracy of the reported data, with the aim of gradually reducing the use of estimates in favour of timely data, according to good market practices. In particular, it undertakes to encourage customers and suppliers, and, if not possible, external information providers, to provide more precise and direct data, fine-tuning the estimation processes over time. In this perspective, the methodologies adopted are periodically reviewed and updated, in line with the latest standards and market developments.

Sources of estimation and outcome uncertainty

For more details on the estimation methodology used in the calculation of Scope 3 indirect emissions, including sources of information, assumptions made and conversion factors used in the calculation, please refer to what is described in the paragraph "Methodology for calculating own direct and indirect (Scope 1 and 2) and Scope 3 indirect emissions" in Section 2 - Environmental Information.

Changes in the preparation and presentation of sustainability information

Following the successful completion of the public tender and exchange offer (OPAS) for Mediobanca, the **MPS–Mediobanca Combination Programme** was launched, aimed at achieving full industrial, operational and strategic integration between the two Groups.

As part of this Programme, the Group oversees all relevant areas, also pursuing the integration of the sustainability elements characterising the two entities, in order to ensure consistency with the new Group's strategic design, continuous central oversight and effective coordination of all the Legal Entities, as well as homogeneous and representative disclosure for the Group as a whole.

Against this backdrop, work began in the **first quarter of 2026** on the preparation of the 2026-2030 Industrial Plan, which also redefines ESG strategic ambitions and the related targets, and on the implementation of the Combined Entity Integration Plan under a gradual approach, with completion of the merger by absorption of Mediobanca into Banca Monte dei Paschi di Siena and the main corporate and governance steps expected by the end of 2026, followed by full implementation of the target operating and IT model. The process includes, among other things, a phase of harmonisation, adaptation and integration of the Group's more operational targets with the elements deriving from the Mediobanca context, an overall review of the processes supporting reporting information flows and, ultimately, the definition of shared Group-wide guidelines ensuring full consistency of content in future reporting periods. For further details on the Combination Programme, please refer to the Report on Operations - Significant events of the 2025 financial year - Update on the combination programme.

In the remainder of the document, whenever reference is made to a specific Group policy, its scope of application should be understood as excluding Mediobanca; the formal alignment of the regulatory corpus will in fact be completed within the framework of the combination path described above.

A review of the policies and arrangements adopted by Mediobanca was nonetheless carried out, which showed full alignment (in terms of the matters covered and discussed in its internal regulatory framework) with the Group's current corpus. Furthermore, in order to regulate relationships and information flows with Mediobanca, on 19 February 2026 a specific Regulation was issued setting out the processes, controls and autonomy levels characterising the relationship between the Parent Company and the subsidiary Mediobanca and, by extension, the relationship between the Parent Company and the subsidiaries of Mediobanca, as well as between Mediobanca and the subsidiaries controlled by it.

Similarly, the aspects illustrated with reference to targets are representative solely of the entities of the Group prior to the acquisition of Mediobanca. An overall Group view in terms of targets will be provided from the next reporting period.

Any distinctive elements in terms of actions, specific to Mediobanca, not present – even in similar cases – in the other Group entities (for example, specific initiatives and/or social impact projects carried out with Bank contribution/cost), are explicitly referred to in the individual ESRs standards, in line with the approach adopted for the other subsidiaries.

The methods for preparing and presenting certain metrics have been updated, in line with the applicable regulatory requirements, and the methodological changes set out below have also been introduced.

With reference to **DR S1-7**, compared to the previous year, the scope of non-employee workers has been expanded to also include financial advisors in order to provide a more detailed representation of the own workforce. For comparability purposes, the data relating to year 2024 included in the 2024 Sustainability Statement have been presented, with the addition of the number of financial advisors, and the difference between the figure disclosed in the previous period and the restated comparative figure has been shown.

With reference to **DR S1-15**, in 2024, in addition to the percentage of employees entitled to family leave, the Group provided details of the number of employees who took parental leave during the year. In the current year, this disclosure has been further expanded to include all types of family leave, among which those provided for under Law 104, for a more comprehensive representation. Accordingly, the 2024 data have been recalculated in line with the criteria currently adopted, compared with those reported in the 2024 Sustainability Statement, and the difference between the figure disclosed in the previous period and the restated comparative figure has been shown.

With reference to **DR E1-6**, compared with the previous year, in Scope 3 Category 15, financed emissions from the PCAF categories Residential Mortgages, Commercial Mortgages and, for the subsidiary Mediobanca, Motor Vehicle Loans, were included. This asset class is not applicable to Monte dei Paschi di Siena, as the Bank does not grant loans attributable to this specific type of credit exposure aimed at financing motor vehicles. As a result of the methodological update introduced, the figure for 2024 has not been recalculated as it is not feasible.

With regard to the disclosure required by **Article 8 of Regulation (EU) 2020/852** (EU Taxonomy), following approval of the Omnibus Decree, the new templates provided for by the Decree were applied. For 2024, owing to the different structure of the individual tables, only Template 0 containing the summary of the GAR KPIs will be published.

Following the acquisition of the Mediobanca Group, with reference to quantitative data and tables, the presentation has been revised to ensure comparability over time and a correct representation of changes in scope, distinguishing between:

- consolidated data for 2025²³;
- of which 2025 data relating to the Mediobanca Group;
- of which 2025 consolidated data, net of the Mediobanca Group;
- comparative data relating to the MPS Group for 2024.

²³ With reference to consolidated data, it should be noted that the time horizon for flow data covers the period between the date on which the Mediobanca Group was consolidated into the MPS Group's scope of consolidation and 31 December 2025, for a total of three months. Stock data, on the other hand, refer to 31 December 2025 for all companies in the MPS Group, including the Mediobanca Group.

For further information, please refer to the detailed sections²⁴.

Information relating to the Taxonomy Regulation

The Statement includes the disclosure required by Article 8 of Regulation (EU) 2020/852 (EU Taxonomy) within Section 2 "Environmental Information".

Inclusion by reference

All inclusions by reference made by the Group to other documents and contained within the Statement meet the requirements of ESRS 1 - General Requirements paragraphs 119 and 120. Specifically, the disclosure requirements included by reference in the Statement are as follows:

- ESRS 2 BP-1: for the identification of the companies included in the scope of consolidation of this Statement, please refer to the description of the scope of consolidation in Part A Section 3 – "Scope and methods of consolidation" of the Notes to the Consolidated financial statements²⁵;
- ESRS 2 SBM-1: For details of revenues by operating segment, please refer to the section entitled "Results by operating segment" in the Report on Operations; For details on the 2026-2030 Industrial Plan "From deep roots to new frontiers – A leading competitive force in the banking sector", please refer to the paragraph "2026-2030 Industrial Plan" in the Report on Operations.
- ESRS 2 IRO-1: For more details on the framework for monitoring potential environmental risks, please refer to the paragraph "ESG Risks" - Part E – "Information on risks and related hedging policies" in the Notes to the Consolidated Financial Statements²⁶;
- E1 – ESRS 2 SBM-3: For the purposes of describing the analysis process aimed at Risk identification related to climate change, please refer to the paragraph "ESG Risks" - Part E – "Information on risks and related hedging policies" of the Notes to the Consolidated Financial Statements²⁷.

Update to the disclosure concerning events after the end of the reporting period

On 17 February 2026, the Board of Directors of Banca MPS resolved to proceed with the full integration with Mediobanca – Banca di Credito Finanziario S.p.A. by way of merger by incorporation, resulting in Mediobanca's delisting.

Subsequently, on 27 February 2026, the Board of Directors of Banca MPS approved the 2026–2030 Industrial Plan, which also sets out the framework and the integrated sustainability and performance targets of the Group, in line with the integration process with Mediobanca.

Accordingly, the targets relating to the year 2025 set out in this reporting refer to the strategies outlined in the 2024–2028 Industrial Plan.

For further details on the new Group Industrial Plan, please refer to the section dedicated to "Strategy".

Additional disclosure resulting from adherence to the Principles for Responsible Banking (PRB)

The Sustainability Statement includes certain additional information provided in order to comply with the transparency requirements set out in the UNEP FI Principles for Responsible Banking (PRB), to which the undertaking has voluntarily

²⁴Please refer to the following sections of the document: E1-5 Energy consumption and mix; E1-6 Gross Scope 1, 2, 3 and total GHG emissions; E1-7 GHG removals and GHG mitigation projects financed with carbon credits; S1-6 Characteristics of the undertaking's employees; S1-7 - Characteristics of non-employees in the enterprise's own workforce; S1-9 - Diversity Metrics; S1-13 - Training and skills development metrics; S1-14 Health and safety; S1-16 Remuneration metrics (pay gap and total remuneration).

²⁵ Pursuant to ESRS 2 – BP-1 "General basis for preparation of sustainability statements", paragraph 4.

²⁶ Pursuant to ESRS 2 – IRO-1 "Description of the processes to identify and assess material impacts, risks and opportunities", paragraph 53, letter c), point (iii).

²⁷ Pursuant to E1 – ESRS 2 SBM-3 "Material impacts, risks and opportunities and their interaction with strategy and business model", paragraph 19, letters b) c).

adhered since 2019. This information is included in ESRS 2 – General disclosures, S1 – Own workforce, S4 – Consumers and end-users, and G1 – Business conduct.

Disclosure on non-material topics

This Statement includes a section describing the arrangements adopted by the Group with reference to matters which, although they did not emerge as material following the double materiality analysis, remain of interest to the Bank (for further details, please refer to the paragraph "Annex 1 - Disclosure on non-material topics").

Governance

The role of the administrative, management and supervisory bodies

[GOV-1]

The Bank, in its role as Parent Company, performs functions of direction, governance and control over the Group's Companies, as part of the more general guidelines set out by the Board of Directors and in the interest of the Group's stability.

The governance system of the Parent Company, which has a traditional structure, is composed of the Board of Directors, the Board of Statutory Auditors, the Shareholders' Meeting, the Chief Executive Officer (who, at present, also holds the position of General Manager) and five Board committees:

- Appointments Committee;
- Remuneration Committee;
- Risk and Sustainability Committee;
- Related-Party Transactions Committee;
- IT and Digitalisation Committee.

The Board of Directors was appointed by the Shareholders' Meeting on 20 April 2023, on the basis of lists submitted by the shareholders, for the 2023-2024-2025 financial years and thus until the date of the Shareholders' Meeting to approve the financial statements as at 31 December 2025. That Shareholders' Meeting, scheduled for 15 April 2026, will therefore appoint the new Board of Directors.

On 11 April 2024, the Shareholders' Meeting of Banca MPS resolved to appoint Professor Raffaele Oriani as Director, replacing a director who had resigned from office.

On 17 April 2025, the Shareholders' Meeting resolved to appoint five directors (Alessandro Caltagirone, Elena De Simone, Marcella Panucci, Francesca Paramico Renzulli and Barbara Tadolini), who had already been co-opted by a Board of Directors' resolution of 27 December 2024, replacing five directors who had resigned on 17 December 2024.

The composition of the Bank's Board of Directors, from its appointment in April 2023 until 31 December 2025, does not include employee/worker representatives.

All Board members elected during the term of office have been recognised as meeting the requirements and eligibility criteria set forth in the applicable regulations in force, and as at 31 December 2025, 11 out of the 15 directors in office assessed as independent pursuant to Article 15 of the Articles of Association (i.e., 73.33% of the Board members) were in office.

The Chief Executive Officer is the only executive member, while there are 14 non-executive members on the BoD. The following table summarises the members of the BoD.

Members in office at 31 December 2025	Office	Remuneration Committee	Risk and Sustainability Committee	Related-Party Transactions Committee	Appointments Committee	IT and Digitalisation Committee
Maione Nicola (*)	Chairperson					
	Non-Executive					
Brancadoro Gianluca (*)	Deputy Chairman	C				
	Non-Executive					
Lovaglio Luigi	Chief Executive Officer and General Manager (CEO)					
	Executive					
Barzaghi Alessandra (*)	Director		C			M
	Non-Executive					
Caltagirone Alessandro	Director	M			M	
	Non-Executive					
De Martini Paola (*)	Director				M	
	Lead Independent Director					
De Simone Elena	Non-Executive	M				M
	Director					
Di Stefano Stefano	Director		M			
	Non-Executive					
Lombardi Domenico (*)	Director		M	M	C	
	Non-Executive					
Lucantoni Paola (*)	Director		M			M
	Non-Executive					
Oriani Raffaele (*)	Director			M		C
	Non-Executive					
Panucci Marcella (*)	Director	M		C		
	Non-Executive					
Paramico Renzulli Francesca (*)	Director				M	M
	Non-Executive					
Sala Renato (*)	Director	M		M	M	
	Non-Executive					
Tadolini Barbara (*)	Director		M	M		
	Non-Executive					

*Independent directors

C = Board Committee Chair, M = Board Committee Member

On 10 February 2026, Director Stefano Di Stefano resigned from office. Professor Raffaele Oriani, an independent director, was appointed in his place as a new member of the Risk and Sustainability Committee.

The current Board of Statutory Auditors was appointed by the aforementioned Shareholders' Meeting of 20 April 2023 for the 2023-2024-2025 financial years and thus until the date of the Shareholders' Meeting to approve the financial statements as at 31 December 2025. That Shareholders' Meeting will therefore appoint the new Board of Statutory Auditors.

The Shareholders' Meeting of 11 April 2024 resolved to supplement the Board of Statutory Auditors following the resignation of the Alternate Statutory Auditor (Dr Piera Vitali) and the Standing Statutory Auditor (Professor Roberto Serrentino). In accordance with the applicable Articles of Association and regulations, in compliance with the principles of minority representation and gender balance, Dr Giacomo Granata was appointed Standing Statutory Auditor and Dr

Paola Lucia Isabella Giordano was appointed Alternate Statutory Auditor for the remainder of the term of office. At the same time, Mr Pierpaolo Cotone, who had taken office as Standing Statutory Auditor in May 2023 replacing Professor Serrentino, resumed the office of Alternate Statutory Auditor with effect from the same date.

During the 2025 financial year, there were no changes in the members of the supervisory body.

The following table shows the composition of the current Board of Statutory Auditors.

Members			Office
1.	Ciai Enrico		Chairperson
2.	Linguanti Lavinia		Standing Auditor
3.	Granata Giacomo		Standing Auditor
4.	Cotone Pierpaolo		Alternative Auditor
5.	Giordano Isabella	Paola Lucia	Alternative Auditor

None of the members of the Board of Statutory Auditors is related to other members of the Board of Statutory Auditors, the members of the Board of Directors, the Financial Reporting Officer, the General Manager and the main executives of the company.

The number and the type of duties covered by the statutory auditors is in line with the regulations governing the limits on the maximum number of positions for members of Control Bodies, as set forth in Title V-bis, Section V, Item II of Consob Issuers' Regulation and Article 17 of MEF Decree no. 169/2020.

The Sustainability Reporting Officer is the same person as the Financial Reporting Officer responsible for preparing corporate accounting documents (the "**Financial Reporting Officer**"). On 1 July 2025, Dr Andrea Francesco Maffezzoni - BMPS Chief Financial Officer - assumed the office of Financial Reporting Officer, subject to the favourable opinion of the Board of Statutory Auditors, replacing Dr Nicola Massimo Clarelli, who held that office until 30 June 2025.

Diversity in governance bodies

The composition of the Bank's corporate bodies in 2025 - which is compliant with primary and supervisory regulations on gender balance - is as follows: for the Board of Directors, 53% were men and 47% were women, while for the Board of Statutory Auditors, 2 standing auditors were men and 1 standing auditor was a woman, and the alternative auditors comprised 1 man and 1 woman.

Since December 2024, the Board of Directors has designated Director Paola De Martini, Attorney-at-Law, as Lead Independent Director.

With reference to the composition of the Board of Directors, the Board Committees and the Board of Statutory Auditors in terms of gender diversity, age and managerial and professional expertise, it should be noted that, as a listed bank, the Bank applies specific provisions of the applicable legal and regulatory frameworks²⁸, as well as the principles and recommendations contained in the Corporate Governance Code, endorsed by the Bank. Lastly, the Articles of Association of the Bank contain specific provisions on gender diversity (Articles 15 and 25), calling for compliance with the regulations in force both at the appointment stage and during the term of office.

The Group, in compliance with its Code of Ethics, the BMPS Sustainability and ESG Guidelines²⁹ and the Group's Gender Equality Policy, recognises and promotes the benefits of diversity in the overall composition of its Corporate Bodies in all respects, including gender, age and seniority in office, skills and the educational and professional profile of its

²⁸For example, the TUF, Supervisory Provisions on corporate governance, Ministerial Decree 169/2020.

²⁹ Available on the Group's institutional website under the name "Sustainability and ESG Guidelines".

members, in order to ensure sound governance, and a critical discussion of issues with a variety of viewpoints and experiences as recommended by supervisory regulations.

In February 2025, the Board of Directors, following review by the Nomination Committee, adopted the "Diversity Policy on the composition of the Corporate Bodies" ("Diversity Policy"), through which the Bank formalised the objectives, instruments and criteria already used and embedded in the provisions of the By-laws, Group rules on Sustainability and ESG and the Fit and Proper Requirements, the Principles and Recommendations of the Corporate Governance Code, the applicable national and international regulatory framework (e.g., the MEF Decree, the Supervisory Provisions on corporate governance, the EBA-ESMA Guidelines and the ECB Guide) and the minimum threshold for the presence of the less represented gender established by the TUF (Articles 147-ter, paragraph 1-ter, and 148, paragraph 1-bis) to ensure gender balance.

The Diversity Policy identifies the instruments and criteria deemed useful for ensuring an adequate level of diversity in the composition of the Board of Directors (and Board Committees) and the Board of Statutory Auditors, recognising and promoting the benefits of diversity in all respects: skills and experience, educational and professional profile, gender, age, seniority of office, background (geographical/international and otherwise) and independence of their members.

Valuing differences helps ensure equal opportunities for people regardless of age, sexual orientation, religious belief, gender, ethnicity or disability, without any discrimination, promoting within the collegiate bodies a collaborative climate, an open and proactive approach to inclusion, so that knowledge, skills, visions, values and aspirations provide a stimulus for ensuring critical discussion of issues from a variety of viewpoints and experiences, in a collaborative climate that facilitates the efficient functioning of collegiate bodies through recognition of the specific contribution made by each member.

The Diversity Policy provides that the Board of Directors, with the support of the Nomination Committee, shall monitor, as part of the annual self-assessment process, the achievement of the objectives, targets and purposes set in relation to diversity, as well as the adequacy and effectiveness over time of the Diversity Policy implemented, also considering any actions to be taken to update or implement it in light of any regulatory, best practice, strategic and Group structure developments.

The Diversity Policy is adopted by the Group companies, in compliance with the guidance provided by the Bank as part of the direction and coordination activities it exercises as Parent Company of the Montepaschi Group, taking account of their respective specificities.

The Diversity Policy is published on the Bank's website *www.gruppompis.it – Corporate Governance*.

In concrete terms, the application of the diversity criteria adopted to define a composition of the governing bodies deemed optimal, ensured, in 2025:

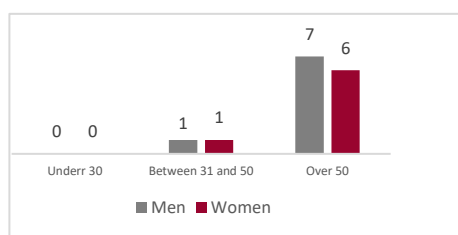
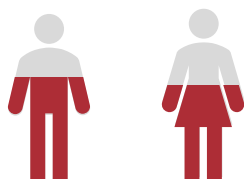
- a gender balance in terms of a level of representation in line with that provided for in legislation;
- age diversity (among directors, ranging in age from a minimum of 50 years to a maximum of 72 years, with an average age of 60 years; of auditors, ranging in age from a minimum of 38 years to a maximum of 74 years, with an average age of 61 years), and by length of tenure (for directors, with 1 exponent in their third term, 4 exponents in their second term, 10 exponents in their first term; for mayors, with the Chairman in his second term and four statutory auditors in their first term);
- the presence of the requirements and compliance with the eligibility criteria necessary to perform the office (including integrity, fairness, professional experience, competence and training path, independence of judgement, compliance with the limit on the accumulation of offices and time commitment, and the prohibition on interlocking), assessed periodically both with regard to the individual member and to the overall structure of the governing bodies.

The qualitative and quantitative criteria on the ideal composition of the Board of Directors are disclosed to the shareholders before the renewal of the corporate bodies.

The Board of Statutory Auditors ascertains on an annual basis or in the case of significant events: (i) the existence of the independence requirements for its members; and (ii) the correct application of the assessment criteria and procedures adopted by the Board of Directors to assess the independence of its non-executive members. The outcome of these checks shall be disclosed to the market in the corporate governance report or in the Board of Statutory Auditor's report to the Shareholders' Meeting".

Composition of the Board of Directors and the Board of Statutory Auditors by gender and age

As at 31 December 2025, the gender diversity ratio within the Board of Directors, calculated as the average ratio of female to male members, is 88%.



With reference to the Board of Statutory Auditors, as at 31 December 2025, the Board of Statutory Auditors was composed of 3 statutory auditors (2 male and 1 female) and 2 alternate auditors (1 male and 1 female). The age of the auditors ranges from a minimum of 38 years to a maximum of 74 years, with an average age of 61 and one auditor under 50.

Responsibilities of bodies with strategic oversight, management and control functions with regard to impacts, risks and opportunities

The Bank's governance system provides for specific responsibilities regarding sustainability issues, distributed among the Bank's bodies and functions according to four areas (strategy, actions and policies, risk factor management, monitoring and reporting). In detail, the main responsibilities for sustainability are as follows:

Board of Directors	approves the sustainability and ESG strategies and policies and the Sustainability Plan in line with the values, principles and rules of conduct defined in the Code of Ethics, the commitments deriving from adhesion to voluntary initiatives, taking into account the impacts of ESG (environmental, social and governance) factors; approves the Group Sustainability and ESG Policy and monitors its implementation; considers aspects relating to sustainable finance objectives in defining corporate strategies and assesses the integration of ESG factors into decision-making processes; approves membership in national and supranational sustainability initiatives; verifies the presence of adequate controls for ESG risk factors within the overall framework for risk management, integrating them into the processes of assessment, management, monitoring, control and reporting of existing risks, defining the Group's Risk Appetite; evaluates and approves the findings of the dual materiality analysis (with related identified impacts, risks and opportunities); approves the policy guidance and coordination on the Sustainability Statement; approves the Sustainability Statement, subject to the opinion of the Risk and Sustainability Committee.
Board of Statutory Auditors	ensures that the Sustainability Statement is drawn up and published in compliance with the relevant regulatory provisions and supervises the adequacy of the organisational, administrative and reporting and control system adopted in order to allow for a correct and complete representation in the consolidated sustainability report 'of the information necessary for understanding both the impact of the company on sustainability issues and the way in which sustainability issues affect the company's performance, results and situation'.
Risk and Sustainability Committee	evaluates proposals for strategic sustainability guidelines and macro-objectives, checking their consistency with the strategic guidelines; assesses proposals for environmental and social strategy, annual objectives and targets and monitors their implementation over time; oversees the evolution of sustainability also in the light of the relevant international guidelines and principles, monitoring its performance; reviews and approves matters relating to sustainability, including the validation of the double materiality analysis for the purpose of drafting the Sustainability Statement; supports the Board of Directors with investigative, propositional and advisory functions in evaluations and decisions related to sustainability and ESG risk management; monitors the positioning of the Group with regard to Sustainability; supervises compliance with the provisions established pursuant to Legislative Decree No. 125 of 10 September 2024 with regard to the preparation of the Sustainability Statement.

Remuneration Committee	has the power to formulate guidelines and recommendations on the remuneration of personnel whose remuneration and incentive systems are decided by the Board of Directors; periodically assesses the criteria adopted for the remuneration of executives with strategic responsibilities, monitoring their application.
Chief Executive Officer	submits to the Board, for approval, the sustainability and ESG strategies and policies, the Sustainability Plan, the "double materiality" analysis and the Sustainability Statement ensures the implementation of the Board's resolutions and the pursuit of the integrated strategic lines of the sustainability profile, through the support of the Steering Committee³⁰; It oversees sustainability-related activities and actions to be implemented, monitoring and ensuring the achievement of defined objectives.
Steering Committee	through the specific session 'ESG and Sustainability', supports the Managing Director in defining strategic guidelines and sustainability policies and in finalising the initiatives of the Sustainability Plan; monitors the evolution of the Sustainability Plan initiatives by ensuring adequate sponsorship of initiatives and addressing the resolution of critical issues in order to achieve the Group's strategic objectives
Head of Sustainability and ESG/Sustainability and ESG Function	promotes the integration of ESG issues into the Group's strategy; oversees, ensuring that all initiatives undertaken by the various actors, in the exercise of their responsibilities, are consistent with the Group's ESG strategy; is responsible for defining strategic ESG guidelines and promoting them to senior bodies and for translating them into the project initiatives and ESG objectives to be implemented in support of their achievement within the Sustainability Plan and the related monitoring, as well as the institutional reporting on Sustainability and the monitoring of ESG ratings; oversees the implementation of commitments arising from national and supranational initiatives in the area of Sustainability and ESG and ensures their implementation, monitoring and related disclosure (e.g., NZBA, PRB); supports, in managing dialogue with shareholders and investors, the Chairperson of the Board of Directors and the Chief Executive Officer of the Parent Company on Sustainability and ESG matters; promotes a culture of sustainable development within the company.

The process of preparing this Statement is an integral part of the financial reporting process and is based on a structured system of controls aimed at ensuring the quality and reliability of the information reported. The ESG and Sustainability function, through interaction with the various Group entities, coordinates the reporting process and ensures that controls are properly integrated into operational activities. In this context, checks on the Sustainability Statement, including those on impacts, risks and opportunities, are incorporated into the control systems of the other functions, ensuring a consistent approach aligned with existing controls.

In general, the responsibilities of the Board of Directors, the Board Committees and the Board of Statutory Auditors are described and formalised in the Report on Corporate Governance and Ownership Structures, drawn up pursuant to Article 123-bis of the TUF and approved in compliance with current regulations and the Bylaws.

³⁰ The Steering Committee is a management committee consisting of the Chief Executive Officer, the Deputy Chief Commercial Officer, all Department heads and the Financial Reporting Officer.

The administrative, management and supervisory bodies: experience and expertise

All the directors and statutory auditors were assessed by the Supervisory Authority (European Central Bank - ECB) as fit to hold office following the specific verification process, and were therefore also recognised as possessing the basic knowledge and experience required by the regulations in force in relation to the sectors (banking and financial) and products (banking and financial) in which the Bank operates, by virtue of the skills acquired through corporate offices, executive or managerial positions, work or professional activities or academic and research roles. Specifically, also taking into account the results of the self-assessment process, it appears that in 2025, Board members with specific expertise represented around 97% with reference to banking and financial markets and around 67% with specific reference to banking/financial products;

With reference to geographical areas, it should be noted that all directors and statutory auditors are Italian nationals. Some of these directors have educational experience gained internationally, either through work, professional activities or academic roles, or having held corporate/managerial/management positions in foreign banking, insurance or financial undertakings, or in similar Italian companies, but operating significantly in an international dimension. Again with reference to the 2025 composition of the Board of Directors and the Board of Statutory Auditors, that there are members with specific expertise in risk governance (approximately 73% for the Board of Directors) and in banking governance - organisational and corporate governance arrangements (approximately 93% for the Board of Directors) - as well as members with academic and legal profiles.

The composition of the Board of Directors and the Board of Statutory Auditors in 2025 was diverse in terms of education, professional and managerial characteristics, technical expertise and knowledge, experience and specialisations of the members. This contributing to enriching the decision-making process also in the area of sustainability, climate risks and ESG, and to guaranteeing that the Board of Directors and the Board of Statutory Auditors have a adequate collective level of knowledge, expertise and experience to understand the main risks and opportunities and their impacts.

In this regard, with reference to 2025, the Bank has directors with expertise in Sustainability (approximately 47%), gained through experience as members of board committees with responsibilities for Sustainability (including at the Bank), academic study activities, preparation of ESG guidelines also for other industrial groups, and knowledge acquired through specific Sustainability training provided by external bodies, and that the collective suitability and overall knowledge of the management body in ESG matters has been strengthened through the addition of professional profiles with practical experience gained also in business environments characterised by strong attention to ESG issues, including environmental and climate risks, as material elements of business strategies.

The Sustainability-related skills and expertise held by the Board of Directors and the Board of Statutory Auditors, as a whole, are also specifically considered in the annual self-assessment process, and specifically addressed with reference to material targets and impacts, in relation to the Group's Industrial Plan.

For the purpose of continuously updating and developing the Board of Directors' Sustainability expertise, Board Induction sessions were also held in 2025 on ESG topics, on 4 June 2025, entitled "Sustainability challenges in the banking sector: environmental and climate risks" and on 18 September 2025, entitled "Technology risk governance" - both delivered by SDA Bocconi School of Management, with participation open to all members of the Board of Directors (approximately 73% and 86% of the members of the Board of Directors participated, respectively) and of the Board of Statutory Auditors (all the Bank's Standing Auditors participated).

With reference to training activities, during the 2025 financial year, the members of the Board of Statutory Auditors participated in the induction programmes and recurring training initiatives promoted by BMPS, with the aim of ensuring continuity and making the most of the experience gained, as well as maintaining continuous updates on the areas of operation of the Parent Company and the Group. The training activities included the aforementioned sessions dedicated to Sustainability issues, in line with governance best practice and the supervisory responsibilities assigned to the Board of Statutory Auditors.

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

[GOV-2]

Roles and responsibilities of management bodies in exercising oversight of the process for managing material impacts, risks and opportunities

Governance bodies are informed about material impacts, risks and opportunities through regular information flows and control mechanisms. The Board of Directors, with the support of the Risk and Sustainability Committee ("RSC" or the "Committee"), reviews and approves the results of the double materiality assessment, evaluating the effectiveness of the policies adopted and their contribution to ESG risk management and opportunity enhancement.

As part of its functions to provide preliminary information, recommendations and advice, the RSC oversees Sustainability issues related to the Bank's activities and its relations with stakeholders, assessing the consistency of ESG strategies and guidelines with general strategic guidelines. In addition, it assesses proposals on environmental and social strategy, sets targets and monitors their implementation over time. Specifically, the information flows submitted to the Risk and Sustainability Committee are defined in line with the provisions of supervisory regulations in the Group Policy on the internal control system and in applicable laws in force at the time. The Committee, as part of its support functions to the Board of Directors, identifies any further information flows to be addressed to it on the subject of risks (establishing subject, format, frequency, etc.).

When reviewing corporate strategy, the Board of Directors integrates ESG factors into the decision-making processes, ensuring that material impacts are considered in the development of strategies and in the definition of the Risk Appetite. The CRS supports this process through constant monitoring activity, ensuring that actions taken are in line with long-term objectives and the applicable regulatory framework, thus contributing to the integration of Sustainability into corporate strategies.

The list of Impacts, Risks and Opportunities (IROs) found to be material and subject to approval by the Board of Directors are summarised within the chapters dedicated to the detailed discussion of each standard ESRS. These chapters represent, for each Sustainability topic defined by the regulations, the IROs found to be relevant, the respective reference time horizons (i.e., short-, medium- and long-term) and the boundary (e.g., Own Operations, Value Chain Downstream, Value Chain Upstream) found to be relevant within the scope of the relevant ESRS standards.

In 2025, ESG matters were addressed at 8 meetings of the Board of Directors.

Role of the Supervisory Board in the Monitoring of Sustainability Reporting

The Board of Statutory Auditors monitors compliance with the provisions of the regulations on consolidated corporate sustainability reporting and the sustainability reporting process, with the support of the corporate control functions. As part of this activity, as an internal control and audit committee, the same Body must also ensure that the internal control and risk management system is adequate to identify, monitor and mitigate ESG risks.

To this end, the Board of Statutory Auditors acquires information from the structures responsible for the reporting process and verifies: (i) the adequacy of the organisational structure responsible for preparing the Sustainability Statement in terms of human and financial resources and information systems; (ii) the existence of operational guidelines, procedures and practices adopted by the company to ensure that consolidated sustainability reporting is both timely, complete and reliable, it being understood that the Board of Directors remains responsible for structuring the Sustainability Statement process.

The Board of Statutory Auditors monitors the adequacy of the administrative and accounting system also for the purpose of the Sustainability Statement and supervises the implementation and receipt of adequate periodic information flows, both quantitative and qualitative, for the purpose of the Statement.

The Control Body performs an overall review to ensure the correctness of the process on the basis of which the Statement is prepared, and obtains a specific certification from the Delegated Administrative Body and the Sustainability Reporting Officer. For the 2025 financial year, the above certification was issued by the Financial Reporting Officer responsible for preparing corporate accounting documents, who at BMPS is also responsible for certain sustainability activities, including certifying the compliance of the Sustainability Statement.

As part of its supervisory duties, the Board of Statutory Auditors acquires information on the activities planned and then carried out: (i) by the Financial Reporting Officer for the purpose of issuing the above internal certification relating to the compliance of the Sustainability Statement with the reference standards, including the information to be provided under the so-called Taxonomy Regulation; (ii) by the second level control functions, with particular regard to the implementation of the risk identification and management system, and third level control functions (Internal Audit) on the Sustainability Statement.

The Board of Statutory Auditors monitors the activity of certifying the Sustainability Statement by setting up a regular exchange of information flows with the auditing firm in charge of certifying the Statement, in order to acquire information on the planning of the related activities and the extent of the verifications on the data included therein.

Lastly, the Board of Statutory Auditors monitors compliance with the reporting disclosure requirements, verifying that the consolidated sustainability report included in the management report, as well as the report certifying compliance pursuant to Article 14-bis of Legislative Decree No. 39, of 27 January 2010, are published in the manner and within the time limits set forth in Articles 2429 and 2435 of the Italian Civil Code and on the Group's website.

In its Report to the Shareholders' Meeting, the Board of Statutory Auditors reports on the supervisory activities carried out in relation to the Sustainability Statement in compliance with Article 10, paragraph 1 of Legislative Decree No. 125/2024, and also reports that the independent auditors have issued a statement of compliance with respect to the Sustainability Statement, in compliance with Articles 8 and 18, paragraph 1 of Legislative Decree No. 125/2024

Integration of sustainability-related performance in incentive schemes

[GOV-3]

Remuneration policies

The Group's remuneration policies are geared towards the creation of sustainable value over time, the enhancement of merit, the growth of all employees, entirely in keeping with the strategic, risk governance, and diversity and inclusion policies. The remuneration policies promote fair and competitive remuneration, in compliance with regulations and market practices, and a balanced ratio between fixed and variable remuneration components (the so-called Pay Mix) in order to avoid conflicts of interest in the achievement of long-term objectives. As further evidence of its ongoing commitment to inclusion, fairness and the enhancement of diversity, at the end of 2025 the Parent Company continued along its path, achieving an improved rating under the Gender Equality Certification obtained in 2023. This recognition underlines the central role of diversity and inclusion in the human capital development strategy, key elements in supporting the Group's sustainable growth and creating value over the long term.

Main characteristics of incentive systems

In compliance with supervisory provisions, the remuneration packages for Group senior managers and personnel may consist of a fixed and a variable component. Where the relevant conditions are met, the variable incentive component is defined ex ante for each staff sub-category, in compliance with the relevant provisions, so as not to encourage behaviour geared towards excessive risk-taking.

In determining remuneration, the Parent Company takes the following aspects into account, in addition to position weighting and benchmarking: skills and commitment; location of service and relative cost of living; level of education; scarcity of personnel available in the job market for specialised positions; the nature of the employment agreement; duration of professional experience; professional certifications.

Variable incentive remuneration is based on economic-financial and qualitative objectives, weighted and defined ex ante. The Group has integrated ESG objectives since 2023 and aligned them with the strategic objectives included in the Industrial Plan and its remuneration policies. The implementation of ESG objectives is integrated into the initiatives of the Sustainability Plan approved by the Board of Directors and updated annually.

The 2025 Remuneration Policy was defined in continuity with 2024, also in light of the broad approval expressed by the Shareholders' Meeting on 11 April 2024, strengthening the principle of *"pay-for-sustainable performance"*. For the *"2025 Incentive System"*, the *bonus pool funding* approach is confirmed, in close correlation with the results achieved and the prospective risk profile. Within the CRO Dashboard dedicated to *Risk Assessment*, a more prudent scheme based on the

Appetite-Limit-Tolerance range was also adopted. With reference to the scorecards intended for the Chief Executive Officer/General Manager and all key staff³¹, including key management personnel, there remains a close correlation with economic, financial, ESG and risk-related objectives. With reference to non-executive directors and members of the Board of Statutory Auditors, the principle of no connection with the economic results achieved by the Group and that no incentive plans of any nature are to be assigned to them, as previously approved by the Shareholders' Meeting, was reconfirmed.

The remuneration of the Chief Executive Officer and General Manager of the Parent Company is composed of a fixed component and an annual variable component disbursed, once the achievement of the objectives assigned *ex-ante*, has been verified, over a long-term time horizon. The Chief Executive Officer/General Manager is the recipient of the "2025 Incentive System" in accordance with regulatory requirements, investor guidelines and the interests of the broader *stakeholders*, according to the scorecard consisting of economic-financial (80%), risk management (10%) and ESG objectives (10%).

In detail, the ESG KPI consists of the following indicators:

- New ESG lending to Individuals;
- New ESG lending to Companies;
- % of the less represented gender in positions of responsibility;
- % of new ESG issuances (net of subordinated instruments).

For the other relevant structures/functions, in 2025 as well, the composite ESG KPI described above is structured into "n" sub-indicators, updated annually and defined in line with the Group's sustainability objectives.

In particular, the sustainability objectives in the Group's strategy are aimed at:

- supporting the sustainable and energy transition of individuals and SMEs through the development of services and products that, thanks to a structured system of levers and benefits, encourage customer engagement by steering them towards sustainable, competitive, lower-environmental-impact business models through the use and production of renewable energy and the adoption of energy-efficiency solutions, fostering sustainable supply chains and at the same time generating positive impacts for communities and employees;
- strengthening governance tools to support ESG commitments by promoting an inclusive, collaborative environment for its employees, focused on valuing people, its primary resource.

Incentive systems – climate considerations

The definition of the composite ESG KPI for the CEO/General Manager, and all relevant personnel, includes considerations and sub-objectives related to climate change.

In line with the 2024-2028 Strategic Plan, the Group intends to support its customers' decarbonisation path by promoting the transition towards the progressive adoption of renewable energy and lower-environmental-impact solutions, and to that end it has defined 2030 decarbonisation targets on the basis of climate scenarios with reference to financed emissions in the lending portfolio, as well as the internal operational levers to achieve them.

The indicator relating to the "volumes of loans with ESG features granted relative to total volumes of new production to Individuals and Companies" represents one of the main levers and includes sub-targets linked to the green volumes to be disbursed in support of the lending portfolio decarbonisation strategy, defined in line with the annual financed-emissions reduction trajectory envisaged by the 2030 decarbonisation targets for exposures to non-financial corporates and retail customers.

Climate considerations are included in the objective scorecard within the percentage weighting assigned to the achievement of ESG objectives (10%), which includes the volumes to be granted in support of the climate transition, as mentioned above.

Approval and updating of incentive systems

The remuneration policies for 2025 were approved at the Shareholders' Meeting of 17 April 2025.

³¹ Key Staff members, those whose professional activities have or may have a material impact on the risk profile of the Group, identified as such by the Parent Company in accordance with the applicable legislative and regulatory provisions.

The responsibilities of each body relating to the approval and updating of incentive systems are set out below:

Ordinary Shareholders' Meeting	Article 13 of the Articles of Association assigns to the Ordinary Shareholders' Meeting the task of approving the remuneration and incentive policies and the plans based on financial instruments in favour of board directors, employees and other business partners - not bound by employment contracts - with the Bank; Only if envisaged in the Articles of Association, the Supervisory Provisions also assign power to the Shareholders' Meeting, when approving the Group's remuneration and incentive policies, to decide on any changes to the limit of 1:1 (and at most 2:1) between the variable and fixed remuneration components³².
Board of Directors	It is the task of the Board of Directors (Circular 285 and Articles 17 and 26 of the Articles of Association) to draw up and submit to the Shareholders' Meeting the remuneration and incentive policies and implement them once approved by the Shareholders' Meeting, primarily with regard to the remuneration of directors who hold special offices (including the Chief Executive Officer and the directors who are members of board committees) and of the General Manager (after hearing the opinion of the Board of Statutory Auditors). The framework of the responsibilities of the Board of Directors in this regard, taking into account the indications of Circular 285 (37th Update - First Part, Title IV, Chapter 2, Section II, Roles and responsibilities of the shareholders' meeting and corporate bodies), also envisages that the Board: - defines the remuneration and incentive systems for at least the following persons: executive directors; general managers; co-general managers, deputy general managers and similar figures; the heads of the main business lines, corporate functions or geographical areas; those who report directly to the bodies with strategic supervision, management and control functions; managers and personnel in charge of the company control functions. In particular, it ensures that these systems are consistent with the overall decisions of the Bank in terms of risk assumption, strategies, long-term objectives, corporate governance structure and internal controls. - Furthermore, it ensures that the remuneration and incentive systems are suitable to guarantee compliance with legal, regulatory and statutory provisions as well as any codes of ethics or conduct, promoting the adoption of compliant behaviour.
Remuneration Committee	The Remuneration Committee, is responsible - also with the support of the Risk Management function, which sees the Chief Risk Manager involved as necessary in Remuneration Committee meetings - for expressing an independent opinion on remuneration policies and practices and for submitting proposals to the Board of Directors regarding remuneration of the figures whose remuneration structure, according to the Articles of Association, is decided solely by the Board of Directors. The Remuneration Committee, pursuant to the current provisions of law and the Articles of Association, also carries out the following activities:

³² At 31 December 2025, the Articles of Association of the Bank do not provide the right for the Shareholders' Meeting to resolve, at the time of approval of the remuneration and incentive policies, on any proposal by the Board of Directors to set a limit on the ratio between the variable and fixed components of individual remuneration higher than 1:1, in compliance with the limits indicated by the Supervisory Provisions in force. In the case of groups, the Shareholders' Meeting that is competent to decide on the proposal to set a limit of more than 1:1, is that of the bank in which the personnel to which the decision refers operates. The Parent Company may only vote in favour of the proposed limit increase submitted to the Shareholders' Meeting of a Group bank if the Group remuneration policy (approved by the Shareholders' Meeting of the Parent Company) allows Group banks to raise this limit or if the Shareholders' Meeting of the Parent Company has in any event voted in favour of such action.

	- periodically evaluates the criteria adopted for the remuneration of Managers with strategic responsibilities, supervising their application and making general recommendations on the matter to the Board of Directors (Articles of Association, art. 17, paragraph 4, letter a); - directly supervises the correct application of rules on the remuneration of the managers of corporate control functions, in close cooperation with the body with control functions (Circular 285, 37th Update - First Part, Title IV, Chapter 2, Section II, Roles and responsibilities of the shareholders' meeting and corporate bodies); - arranges preparation of the documentation to be submitted to the strategic supervisory body for related decisions (Circular 285, 37th Update - First Part, Title IV, Chapter 2, Section II, Roles and responsibilities of the shareholders' meeting and corporate bodies).

The Compliance, Risk Management and Internal Audit functions ensure that remuneration policies comply with regulatory requirements and the commitments made to stakeholders, with particular attention paid to the proper management of customer relations, supporting the Human Resources function and corporate bodies in designing remuneration policies, intervening in their implementation to make them consistent with the Bank's risk appetite.

Statement on due diligence

[GOV-4]

The Group integrates the due diligence process within its business model and overall strategic framework, without configuring it as a separate and formalised procedure. This process is intended to ensure the responsible management of environmental and social impacts and comprises the following phases:

- Identification of actual and potential negative impacts caused or contributed to by the Group on people and the environment.
- Management and mitigation of impacts through targeted actions.
- Transparent reporting of progress and measures adopted.

As part of the 2025 double materiality analysis, the Group identified material impacts, risks and opportunities for each topic, sub-topic and sub-sub-topic, submitting the results for assessment by top management and external stakeholders, with final approval by the senior governing bodies.

Core Elements of Due Diligence and ESRS References

The due diligence process is consistent with the disclosure obligations set out in ESRS 2 and the topical ESRSs, and is structured around the following elements:

Element	ESRS references
Integration into governance, strategy and business model	ESRS 2 – General Disclosures: Roles and responsibilities; Incentive systems; IRO identification
Stakeholder Engagement	ESRS 2 – General Disclosures: IRO assessment and consultation
Identification and assessment of negative impacts	Thematic standards: Climate change (E1); Own workforce (S1); Consumers and end-users (S4); Business conduct (G1)
Measures to mitigate impacts	Actions related to: decarbonisation, privacy protection, corporate culture, responsible practices
Monitoring the effectiveness of actions	Objectives, metrics and transparency on progress (ESRS 2 and relevant thematic standards)

The Group constantly monitors the effectiveness of its strategies and reports clearly and comprehensively on the progress achieved, strengthening its accountability to stakeholders and compliance with European sustainability standards.

Group due diligence process



Risk management and internal controls over sustainability reporting

[GOV-5]

The process of preparing the Statement is integrated into the financial reporting process and is the responsibility of the Sustainability and ESG Function, in interaction with the Parent Company's and Group's various entities concerned.

Under the organisational model, oversight of sustainability reporting regulations, the implementation and monitoring of related projects and coordination of disclosure preparation and finalisation are centralised with the Parent Company.

The Group has adopted a model for carrying out controls on the Statement common to all Group Companies, according to the requirements in the Internal Control System (governed by Bank of Italy Circular no. 285/2013, Title IV Chapter 3 - The Internal Control System), which provides for a structured and permanent organisation for controls, with effective procedures in place capable of promptly reporting the occurrence of anomalies.

This control model is based on the identification:

- of the functions, identified within the departments of the Parent Company, responsible for carrying out direct line controls aimed at ensuring that the information provided for the purposes of preparing the Statement is complete, correct, reliable and timely. These functions, within the scope of their operations, ensure the monitoring of compliance with regulatory principles of the sections of the Sustainability Statement under their responsibility, through the execution of first-level controls;
- the subsidiaries, belonging to the reporting perimeter, are responsible for carrying out direct line controls aimed at ensuring that the information provided for the purposes of preparing the Sustainability Statement and its compliance with regulatory requirements is complete, correct, reliable and timely. The contribution to the Sustainability Statement is subject to approval by the Board of Directors of the subsidiaries;
- of the Sustainability and ESG Function, which annually performs, in compliance with the requirements of the CSRD and the methodological document issued by EFRAG on the guidelines for the preparation of the materiality analysis "IG1 Materiality Assessment Implementation Guidance", the double materiality analysis in order to identify the so-called relevant data-points and subject of reporting, playing an active role in identifying, addressing and coordinating the definition of policies, actions and targets to be adopted;
- of the corporate control functions entrusted with control activities in their area of responsibility include:
 - the Chief Risk Officer's department which, with reference to the management of ESG risk factors: (i) integrates ESG risk factors into the risk management frameworks and the definition of the Group's risk appetite; (ii) integrates information on ESG risk factors into its internal reporting on aggregated risks, thus enabling designated corporate bodies to make informed decisions; (iii) carries out the risk materiality assessment on ESG risks and shares the results with the Sustainability and ESG function;
 - the Parent Company's Chief Compliance Executive department, which, as part of its oversight supervisory activities: (i) supports the Board of Directors in ensuring compliance with national and European regulations; (ii) assesses the possible impact of any changes in the sustainability-related legal and regulatory environment on the "Group's" activities and applicable compliance framework; (iii) monitors and supervises the correct application of internal and external regulations on sustainability. With regard to Mediobanca and its subsidiaries, this oversight is ensured by Mediobanca S.p.A.'s Compliance Function through the exchange of information flows suitable for ensuring monitoring and enabling the Parent Company to exercise unified direction over the Group.
 - the Parent Company's Chief Audit Executive department, with reference to ESG actions, policies and procedures, assesses the adequacy of the internal control system and safeguards in place to manage sustainability issues and ESG risk factors. With regard to Mediobanca and its subsidiaries, the above oversight is ensured through the work of Mediobanca S.p.A.'s Audit Function.
- of the ICT Function, which oversees the process for the Information Technology component, ensuring data integrity;
- the Financial Reporting Officer and the Chief Executive Officer, who issue a statement of compliance expressing an opinion on how far the Sustainability Statement complies with the reporting standards. It is also the subject of certification that the Sustainability Statement was drawn up in accordance 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.

The methodological approach adopted at Group level for the verification activities carried out by the Law 262 Control Function in support of the attestation by the Financial Reporting Officer is based on a “mixed” operational model.

This model envisages the adoption in a joint and complementary manner of an analytical approach (adequacy and effectiveness checks carried out directly by the Parent Company’s Law 262 Control Function and acquisition of the results of the checks carried out by the other Control Functions) and a synthetic approach (check-list process and sub-certification by the departments contributing to the disclosure and by the Subsidiaries).

This approach makes it possible to mitigate the risks inherent in the Sustainability Reporting process, including the risk of non-compliance of sustainability information with the provisions of the above-mentioned external regulations, also with reference to the qualitative characteristics defined by ESRS 1 (relevance, faithful representation, comparability, verifiability, comprehensibility), and the risk inherent in incomplete, incorrect processing, storage and transfer of data.

At the conclusion of the verification activity, the Financial Reporting Officer carries out an overall assessment of the internal control system on sustainability, accounting and financial reporting, and defines the actions to mitigate the critical issues identified, formalised in a “Report for the Issuance of the Certification”.

In addition, periodic reporting is provided on the results of the risk assessment and the internal control system relating to the Sustainability Statement, for the areas under their respective responsibility, by the corporate control functions to the administrative, management and control bodies.

These bodies also examine the Report for the issuing of certification by the Financial Reporting Officer, in which the results of the auditing of the internal control system relating to the process of preparing the financial statements and corporate accounting information, including the Sustainability Statement, are formalised, for the purpose of issuing the relevant certifications.

Strategy

Strategy, business model and value chain

[SBM-1]

Building on its historic vocation as a bank attentive to the needs of families and local areas, the Group recognises the close interconnection between economic development, social progress and environmental protection, directing its actions towards the creation of sustainable value over the long term.

Our Purpose:

The good of the Customer and the Local areas is our guiding light



– represents the guiding principle for building a future in which people’s well-being, the prosperity of local areas and sustainability are at the heart of strategic decisions.

The Group’s ESG strategy is conceived as a cross-cutting lever involving all business functions through dedicated policies, risk management processes, operational tools and monitoring indicators.

The MPS Group’s ESG strategy is structured around an integrated model that:

- steers the business towards sustainability objectives;
- strengthens ESG governance and risk management;
- supports the environmental transition through the development of products and services;
- promotes social value, people-centricity and support for local areas;
- ensures transparency through data, metrics and structured reporting.

The 2024-2028 Industrial Plan, “A Clear and Simple Commercial Bank, Revolving Around Customers, Combining Technology With Human Touch”, in continuity with the previous plan, recognises the creation of sustainable value as an enabling strategic lever throughout the value chain, through concrete objectives aimed at supporting the sustainable and energy transition of its customers and playing its part with regard to own activities.

As it continues decisively along its path of integrating sustainability into corporate strategy, in 2025 the Group updated the 2025-2028 Sustainability Plan, approved by the Board of Directors, which defines the priority initiatives to be launched

over the next few years to ensure the full achievement of strategic objectives, regulatory compliance and constant alignment with changes in the competitive and regulatory context.

The 2025-2028 Sustainability Plan, set within the broader framework outlined by the 2024-2028 Industrial Plan, aims to consolidate what was started in previous years and further strengthen the integration of ESG factors into the Group's decision-making, commercial and organisational processes. Accordingly, the Plan sets out the initiatives underpinning the strategic drivers, themselves identified by taking into account all stakeholders as summarised by the results of the Double Materiality Analysis conducted pursuant to the *Corporate Sustainability Reporting Directive* (CSRD), the characteristics of its portfolio and related developments, and the analysis of climate and environmental risks, as well as alignment with market and regulatory trends. In this context, the Group has defined initiatives aimed both at mitigating negative impacts and ESG risks and at enhancing opportunities, with particular focus on decarbonisation and supporting the transition of SMEs by strengthening the ESG commercial offering. At the same time, it intends to consolidate its social role through financial education, microfinance and community initiatives, as well as strengthen ESG governance by integrating sustainability factors into risk models, planning systems and remuneration policies.

The Sustainability Plan also provides for stronger stakeholder engagement activities, in order to make them structured and ongoing over time, improvements in ESG data quality and disclosure transparency, as well as the introduction of key policies - such as the Human Rights Policy and the ESG Procurement Policy - to ensure responsible management of the entire value chain.

The initiatives set out in the 2025–2028 Plan are organised around objectives consistent with the **2024–2028 Industrial Plan**:

1) Support for the transition:

- **Net Zero Own Operations** - The Group aims to progressively reduce net greenhouse gas emissions for scope 1 and 2, with the objective of achieving net zero by 2030³³. To this end, the Plan promotes energy-efficiency measures for properties, plants and infrastructure, accompanied by initiatives to enhance and optimise space, such as the rationalisation of premises and a more efficient use of workspaces.
- **Support for the transition** - To foster a more sustainable, low-emission economy, the Group is strengthening its offering of green products and services and consolidating the integration of ESG factors into its main business processes: from lending, to continuous dialogue with customers, to steering and monitoring activities, including transition plans. This path is supported by the development of ESG skills within the commercial network and by the introduction of specialist roles dedicated to supporting relationship managers.

2) The Bank's social role in local areas:

The Group aims to generate a positive impact on local communities through partnerships, products and socially oriented initiatives. Programmes are also planned to increase ESG awareness within the organisation, as well as financial education and inclusion activities, with particular attention to the most vulnerable contexts and groups.

3) Governance and People:

- **Integration of ESG criteria into organisational processes** - This final direction aims to incorporate ESG principles increasingly systematically into operational activities and strategic decisions. This takes place through the strengthening of governance and control structures, improved data quality and the evolution of tools for monitoring ESG objectives, including transition plans, so as to effectively support decision-making processes.
- **Dissemination of ESG culture** - To strengthen a shared vision of environmental, social and governance issues, the Group invests in dedicated training programmes and in communicating its objectives, the operational levers identified and ESG initiatives. Internal awareness campaigns help promote responsible and conscious behaviour.

³³ For further detailed information on the Group's decarbonisation path, please refer to the Section "ESRS E1-4 – Climate change targets", prepared in accordance with the disclosure requirements set out in Delegated Regulation (EU) 2023/2772

- **Diversity & Inclusion** - The Group promotes a fair, respectful and inclusive working environment, valuing diversity as a distinguishing element. The initiatives include actions to support gender equality and measures designed to foster financial inclusion and reduce barriers to access to services.

Ownership of the initiatives included in the Sustainability Plan is assigned to the Departments and structures responsible for the relevant area, which are accountable for achieving the objectives, expected results and related deliverables, milestones and KPIs, as well as for preparing periodic reporting on the state of progress of activities.

The ESG and Sustainability Function ensures the overall consistency of the Plan with the Group's macro-sustainability objectives and monitors its progress, also in collaboration with the Project Governance Function for project-based initiatives. As part of these activities, the Function oversees the progress of initiatives, identifies any cross-functional issues and proposes the necessary corrective actions, activating escalation mechanisms to the Steering Committee in ESG Session. It is also responsible for periodic reporting on the progress of the Plan to the Steering Committee and the Board of Directors.

For the purposes of this Statement, forward-looking information is used in accordance with the ESRS. The Directors are required to prepare such information on the basis of assumptions, described in the specific paragraphs of this document, regarding events that may occur in the future and possible future actions by the Group. Because of the uncertainty inherent in the occurrence of any future event, both as regards whether it will occur and the extent and timing of its manifestation, deviations between actual values and forward-looking information may be significant.

On 26 February 2026, the Board of Directors of the Parent Company approved the 2026-2030 Industrial Plan, "From deep roots to new frontiers – A leading competitive force in the banking sector". The new Industrial Plan marks a decisive step change in the Group's strategic positioning and structure, building on the successful transformation path undertaken in recent years and the integration with Mediobanca, with the aim of creating a leading, diversified and competitive banking group, characterised by solid profitability, capital strength and higher shareholder remuneration.

The new plan reiterates and strengthens the Group's intention to focus on the creation of sustainable, long-term value through a balanced, resilient and stakeholder-oriented growth model. The plan emphasises diversified growth, digital innovation and capital strength as levers for generating sustainable benefits, integrating the ESG dimension into governance, risk management policies and the development of customer services. The Plan therefore aims to guide the Group towards a new phase founded on growth, revenue diversification, digital innovation and sustainability, also through the combination of MPS and Mediobanca, which aims to create "sustainable benefits for all stakeholders" by leveraging structural strengths and a more resilient and responsible business model over time.

More specifically, the Group's ESG strategy illustrated by the Plan is articulated around three pillars:

- **Stakeholder-oriented governance:** a structured stakeholder engagement model is introduced to co-design sustainable initiatives, together with an ongoing dialogue to align the transition with local priorities and enhance the synergies of the new group, integrating environmental and social factors into risk processes.
- **Decarbonisation and climate transition:** the Group confirms its "net zero" target for its direct emissions by 2030, aims to support transition solutions in key sectors (renewable energy, efficiency, sustainable activities such as agri-food) and strengthens its commitment towards the sectors with the highest emissions intensity, adopting harmonised reduction pathways by 2030.
- **Sustainable finance:** The Group intends to make sustainable finance a driver of growth by mobilising capital towards social infrastructure and housing, including instruments such as subsidised finance and PPPs, and promoting financial inclusion through targeted programmes and educational partnerships.

The quantitative ESG targets set aim to increase the share of ESG AUM funds under Articles 8 and 9 of the SFDR in total fund volumes (from 47% in 2025 to 50% in 2030), to increase the weight of ESG loans on new lending (from 17% to 25%), and to bring bond issuances to around 25% of total annual issuances by 2030.

For further details on the 2026-2030 Industrial Plan "From deep roots to new frontiers – A leading competitive force in the banking sector", please refer to the paragraph "2026-2030 Industrial Plan" in the Report on Operations.

In light of the foregoing, the Sustainability Plan will be revised during 2026 to take account of strategic developments and the new targets envisaged by the 2026-2030 Industrial Plan.

Business model

At the centre of the Group is Banca MPS, the Parent Company, a commercial bank characterised by a business model deeply rooted in its reference areas, combining the solidity and expertise of the branch network with an advanced digital platform, so as to guarantee customers a hybrid, high-value experience aligned with the most modern technologies. Technological innovation and talented people are the pillars of this transformation, geared towards ensuring an efficient, personalised and accessible service. The value creation strategy consists of five key guidelines:

- the adoption of new service models focused on high value-added activities, revolving around real needs, for private and business customers;
- the optimisation of the digital platform based on the interaction between physical and digital channels pursuing high security standards and ensuring inclusive accessibility of services;
- and a “zero-based” approach to risk management, centred around advanced analysis and monitoring tools;
- the development of “fee-based” products and services to diversify revenue sources and strengthen the Group’s advisory role;
- the enhancement of loan products for households and the development of specific solutions for SMEs, with a focus on sustainability and innovation.

The main inputs of the business model include financial resources, technology, digital infrastructure, and specialised expertise. These inputs are collected through a network of suppliers and partners selected on the basis of reliability and security criteria laid down in the Group’s policies.

Thanks to this vision, the Group remains a reference point for customers and communities, with a sustainable, resilient and long-term growth-oriented business model.

Following completion of the public tender and exchange offer launched by Banca Monte dei Paschi di Siena S.p.A. for Mediobanca – Banca di Credito Finanziario S.p.A., from 15 September 2025 the scope of the Montepaschi Group expanded, increasing the diversification of its business areas and reference markets, previously focused on the traditional retail & commercial banking services carried out mainly in Italy. The Group is therefore active in the **Retail & Commercial Banking, Wealth Management** (including the digital and self-service services system, enhanced by the expertise of the financial advisor networks), **Corporate & Investment Banking, Specialty Finance, Consumer Finance and Insurance** segments (through the stake in Assicurazioni Generali and the strategic partnership with AXA), as well as support activities and fiduciary services carried out through specialised companies.

Foreign operations are focused both on supporting customers’ corporate internationalisation processes and on Wealth Management activities, also through Mediobanca’s foreign subsidiaries, and involve the main foreign financial markets. In addition to the above, there are also companies operating in the agricultural sector, both wine and food, with a real estate component destined for agritourism and accommodation activities (MPS Tenimenti Poggio Bonelli and Chigi Saracini Società Agricola S.p.A.) and food custodian and storage services for third parties (Magazzini Generali).

In detail, the Group, which as at 31 December 2025 employed 22,079 people in actual headcount (for a detailed analysis of workforce distribution by geographical area, see the Section ‘Characteristics and composition of the undertaking’s employees’), operates in various strategic areas of the financial sector, with a broad range of products and services, addressing mainly the following groups of consumers:

- **Retail:** individuals and households, offered savings solutions, investment products, mortgages, personal loans and innovative payment instruments;
- **Private Banking:** individuals with significant assets, offered customised asset management services and advanced financial advice;
- **Companies:** small, medium and large companies, offered financing services, cash management, leasing, factoring and dedicated insurance products;
- **Large Corporate:** large companies for which a customised commercial offering is envisaged, characterised by high value-added financial services, lending, funding and operational flow management operations.

For details of revenues by operating segment, please refer to the section entitled “Results by operating segment” in the Report on Operations.

The commercial offering for individuals and companies has been expanded over time with ESG products aimed at fostering sustainable practices. These fall into three main categories:

- **Sustainability Linked Loan:** financial products that incentivise the customer’s achievement of ambitious and set goals in terms of sustainability performance;

- **Green/Social Loan:** loans intended exclusively for the financing or refinancing of new and/or existing projects with a green or social purpose;
- **Taxonomy Aligned Loans:** a special type of Green Loan intended exclusively for the financing or refinancing of new and/or existing projects that comply with the principles and technical requirements of the European Taxonomy.

These products were developed consistent with the main reference guidelines, such as the Loan Market Association's (LMA) Green and Sustainable Lending Glossary of Terms and the EU Taxonomy EU Regulation 2020/852).

The offering of savings insurance products also evolved over time thanks to the revision of the funds / SICAVs combined with unit-linked and multi-segment policies, also characterised by the inclusion of additional solutions in the ESG segment.

The business model is therefore permeated across the board by sustainability objectives and principles, identifying, for the various business areas, appropriate indicators, targets and processes that are consistent with the sustainability strategies described above, supported by suitable cascading and monitoring mechanisms that ensure the achievement of the expected results, confirming the Group's commitment to a sustainable growth model.

For more details on the range of products and services that support sustainable practices, see the relevant "Sections 2 - Environmental Information" and "Section 3 - Social Information" of this Statement.

For further details on the Group overview, customer assets and distribution channels, please refer to the relevant sections in the Consolidated Report on Operations.

Value chain

The Group value chain can be broken down into two main segments: upstream and downstream, which together describe the processes and players involved in the Group's creation of value.



The Group's position within the value chain is mainly related to the provision of financial services, but also to the support of companies and individuals, acting as an intermediary between the various economic actors and consequently linking capital providers with companies and individuals by offering financial solutions and services.

Upstream Segment

The upstream segment groups the players involved and the processes aimed at collecting the resources needed to carry out business operations. In other words, upstream actors provide the functional products and services for the development and delivery of the Group's products and services. In detail, the main players in the Upstream segment of the value chain include:

Suppliers: include providers of operational and infrastructure services (provision of hardware and software, electricity and gas supply, maintenance and management of real estate), technology and digital services (providers of IT systems and digital infrastructure), technology providers to support banking infrastructure, such as payment systems, online

platforms, risk management software, financial and insurance services (services aimed at financial risk management, insurance of corporate assets, and legal, tax and advisory services), logistics and administrative services, and outsourcing services for non-core activities.

Business partners: the Group works with several strategic business partners, whose services and expertise help to complete and enrich the offering. Specifically, these partners offer the following main types of products and services:

- insurance policies (life, non-life and credit-related insurance) for private and corporate customers;
- insurance advisory services offering customised asset protection and savings solutions;
- payment and card services including prepaid cards, contactless payment solutions, international payments and real-time transactions through the provision of electronic payment systems (e.g. SEPA³⁴ and Swift³⁵) and *mobile payment systems*;
- promotion of real estate financing through partnerships with real estate agencies and real estate companies.

Non-commercial partners: the Group is part of a framework of cooperation with associations and public financial institutions to foster the country's economic growth and financial stability. In this context, it is active in the management of public funds and financing for economic and infrastructure development projects, in the placement of government bonds as well as in the support of regional development policies and interventions linked to government programmes, such as European funds or financing for digitalisation and sustainability.

Downstream Segment

The downstream segment groups together the players involved and the business processes, as well as the related support processes aimed at operations involving the direct provision of banking services, the distribution of financial products, customer relationship management, loan disbursement and the finalisation of investments.

The main actors involved in the downstream value chain³⁶ include:

- **Customers:** includes both parties from whom the Group raises capital (funding) and parties to whom the bank provides financing (customers).
- **End consumers:** users of the products and services offered by the Group.

Double materiality analysis

[IRO-1] [SBM-2] [SBM-3]

Over the past few years, the double materiality assessment, consistent with the evolution of the concept of sustainability, has become increasingly important, requiring the gradual integration of sustainability considerations into corporate strategies, risk management and investment decisions of companies. Being a core activity for the Group, the methodologies were consequently changed to ensure resilience and long-term sustainability.

In 2022, the impact analysis methodology was introduced to replace the previous Single Materiality methodology and in 2023, the first reflections on Double Materiality were introduced, consistent with the GRI Standards³⁷. Subsequently, in the course of 2024, a new methodology for the double materiality analysis was introduced, aligned with the regulatory requirements of the ESRS, reference guidelines and internal Group developments. This methodological framework was also confirmed for the 2025 financial year, although it included some refinements in the way the analyses were carried out, which did not result in substantial changes in the results in terms of the relevance of the topics identified (for further details on the materiality results please refer to the Section "Step 5 – Identifying and validating material topics").

The double materiality analysis was conducted in line with the applicable ESRS standards, assessing both how the Group's activities affect internal and external *stakeholders* (impact materiality), and which risks and opportunities may have significant financial consequences for the Group (financial materiality). In particular, the analysis is developed in line with the Group's business context, including through stakeholder involvement and dialogue, and is conducted according to the following principles:

³⁴ Single Euro Payments Area

³⁵ Society for Worldwide interbank financial telecommunication

³⁶ For further details on the elements of the business strategy related to sustainability matters, please refer to "Business model"

³⁷ GRI (Global Reporting Initiative) Universal Standards (2021)

- **impact materiality** (according to an inside-out perspective), through the assessment of the positive and negative, actual and potential impacts that the company generates on society, the economy and the surrounding environment in connection with its activities and business relationships
- **financial materiality** (according to an outside-in perspective), through the assessment of the risks and opportunities that have, or are expected to have, material financial effects on the Group, or on its financial position, financial performance, cash flows, access to finance and cost of capital.

The Group has assessed in detail the various dimensions of materiality in order to recognise and measure the significant effects of its activities, as well as the relevant risks and opportunities, and has reported the key elements on the basis of these perspectives. The double materiality analysis was carried out taking into account the Group's operating context and through constant dialogue with stakeholders. Particular attention was devoted to the specific features of each business line and to the different geographical areas in which the Group and its trading partners operate, in order to ensure a complete and contextualised assessment.

According to the above-mentioned approach, a sustainability issue is considered material when it meets the criteria of impact relevance or financial relevance, or both. The results of the analyses conducted and, consequently, the issues found to be material contribute to further consolidating and finalising the Group's strategy and related operational processes, managed through the development of specific policies, actions and objectives, as detailed in the dedicated sections.

To determine the materiality of impacts, risks and opportunities, the Group has adopted a structured decision-making process consisting of the steps detailed below:

- Step 1 - Understanding the organisation's context and defining the boundary: this step focuses on identifying possible updates to the double materiality analysis, taking into account any developments compared with the previous financial year. To do so, the Group's operating context and business relationships, as well as the activities carried out by it, are examined in detail, based on various sources, including national and international sector sources and ESG regulatory documentation at global and national level;
- Step 2 - Mapping and engaging Stakeholders: the objective of this step is to identify the Group's stakeholders and understand their needs and expectations with regard to areas of impact, risk and opportunity. The paragraph also describes how stakeholders are involved, both during the IRO identification phase (Step 3) and in the subsequent assessment process (Step 4);
- Step 3 - Identifying potentially material impacts, risks and opportunities (hereinafter also IROs): this step consists in mapping the positive and negative, actual and potential impacts on the reference context (e.g. people, environment, economy) and the risks and opportunities generated by the external environment;
- Step 4 - Assessing potentially material IROs: this step consists of an analysis based on qualitative and quantitative metrics aimed at identifying the materiality of the impacts, risks and opportunities identified by the Group during Step 3;
- Step 5 - Identifying and validating material topics: this step consists in aggregating the findings resulting from the assessment of impacts, risks and opportunities in order to define which of the areas defined by the regulations are material for the Group, as well as their sharing and approval by the Group's control bodies.

Step 1 - Understanding the context

Understanding the context consists of identifying the scope of the Group's own activities, business relationships and the context in which they take place, and defining the necessary inputs for identifying impacts, risks and opportunities. Consistent with regulatory requirements and reference guidelines³⁸, the context analysis was conducted considering:

- the Group's strategy set out in the 2024-2028 Industrial Plan and the related strategic objectives, together with the internal body of rules on sustainability (including the relevant corporate policies), as well as the relevant public documentation (including the financial statements, the most recent Consolidated Non-Financial Statements and the Sustainability Statement published in the previous financial year);
- the applicable legislative and regulatory framework, as well as international, European and national reference standards and frameworks, among which the European sustainable finance framework - including Directive No. 2022/2464 (Corporate Sustainability Reporting Directive), Delegated Regulation (EU) 2023/2772 relating to the ESRS standards, Regulation (EU) 2080/852 (EU Taxonomy), Legislative Decree No. 125 implementing EU Directive 2014/95/EU – as well as the guidelines and guidance issued by the main relevant authorities and bodies such as the European Central Bank (ECB Guidelines on the management of environmental and climate risks) and EFRAG (EFRAG IG 1: Materiality Assessment Implementation Guidance), as well as additional reference legislation referred to by the ESRS standards (including Delegated Regulation (EU) 2019/2088 on sustainability-related disclosures in the financial services sector);
- external documentation aimed at analysing the material issues and the main trends underway in the banking sector, monitored and assessed by analysts, institutional investors and rating agencies - including the annual statement on common enforcement priorities for annual financial reports published by ESMA (ESMA – European common enforcement priorities for 2025 corporate reporting) and the consultation documents published by EFRAG (EFRAG – Revised ESRS Exposure Drafts) - as well as the feedback received through direct interviews and unsolicited questionnaires from the main ESG rating agencies;
- the contextual elements related to the mapping of Italy's environmental, social and economic needs identified during the analysis in keeping with the Principles for Responsible Banking guidelines and Italy's positioning on the path towards achieving the Sustainable Development Goals (SDGs) and the EU recommendations to Member States on the actions to be implemented to achieve the 2030 Agenda;
- the benchmark analysis carried out on the main comparable players in the banking sector, taking into account the issues found to be material as a result of the analysis and the Group's main stakeholders (CSRD Sustainability Reporting and further public documentation of other national and international financial groups).
- The evidence arising from stakeholder engagement activities (for further details on stakeholder engagement, please refer to the Section "Step 2 – Mapping and engaging stakeholders").

On the basis of the above analysis, the Group defined the scope of the double materiality analysis, including activities, resources and relationships that form part of the Group's own operations and the upstream and downstream value chain (for a more detailed description of the value chain segments, please refer to the Section "SBM-1 Strategy, business model and value chain").

Step 2 – Mapping and engaging Stakeholders

Structured engagement and dialogue with *stakeholders* constitutes a fundamental tool through which the Group integrates the perspectives, opinions and priorities of its stakeholders into the decision-making process, ensuring their full consideration also within the scope of the double materiality analysis. In this context, continuous dialogue with stakeholders represents a crucial phase of the process, as it makes it possible to deepen understanding of sector trends, expectations relating to social, environmental and governance aspects, the significant impacts linked to the activities carried out by the Group and its value chain, and to gather stakeholders' perceptions also with regard to the risks and opportunities linked to sustainability issues for financial institutions and for the Group, in a flexible and tailored way.

³⁸Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 and the EFRAG Guidelines (EFRAG IG 1: *Materiality Assessment Implementation Guidance*).

The priority Stakeholder categories for the Group, i.e. those whose interests could be or are positively or negatively affected by the Group's activities, were identified based on the characteristics of the business, the business context, the sustainability strategy and initiatives undertaken and the main sustainability trends and evolutions in the global context.

In line with the guidance provided by the EFRAG Guidelines on the matter, the Group conducted the double materiality analysis process by adopting a twofold approach to involving its *stakeholder*:

- Stakeholder Management: involvement, through interviews, of the Group's internal structures that maintain an ongoing dialogue with relevant stakeholders in order to identify and assess the related impacts, risks and opportunities.
- Stakeholder Engagement: direct involvement, through one to one interviews, of external stakeholders, in order to assess and share the relevance of the impacts, risks and opportunities identified by the Group.

Stakeholder engagement and *management* activity has allowed the Group to gather input and new points of view closely related to its operations and has helped support the process of assessing and consolidating the relevance of sustainability issues, integrating analyses conducted on the basis of data available within the Group and externally on the basis of benchmarking activities and the analysis of regulatory developments. In particular, the perspectives that emerged from the engagement were integrated into the double materiality analysis process, making it possible to identify more precisely the relevant topics in relation to which, within the Statement, the safeguards for their management and monitoring are described through specific policies, actions and targets.

Set out below are the categories of Stakeholder involved, the approach adopted for their engagement, the method by which they were engaged and a summary of the issues addressed (relating to the sustainability matters covered by the relevant ESRS standard):

STAKEHOLDER CATEGORY	STAKEHOLDER	ENGAGEMENT METHOD	TOPICS ADDRESSED
CUSTOMERS	Corporate and private customers	Interview with the head of a Corporate and Private Territorial Department	• Environmental and social sustainability; • Responsible, sound and sustainable governance, creation and distribution of value for all the Group's stakeholders. • Commitment to promoting sustainable economic development and a low-carbon, circular economy model through the development of a dedicated offering for customers.
		Interviews with corporate customers	• Conducting banking activities in full compliance with the rules and principles of fair business conduct. • Financial inclusion and offering products with a high social impact. • Attention to service quality and customer satisfaction. • Digital innovation and cyber security. • Sustainable investments and integration of sustainability issues in the conduct of insurance business. • Talent enhancement, development of internal skills, assessment and incentive systems, periodic training plans, diversity management. • Support for the community and promotion of art and culture in Italy.
ENVIRONMENT/ COMMUNITY	Representative figures / subject-matter experts	Virtual one-to-one interviews with representative figures from the community and the local area (trade associations, ESG associations)	• Environmental issues, with a particular focus on climate change and emerging environmental topics. • Developments in the regulatory context (e.g., CSRD, ESRS Standards) and the impact these may generate on organisations. • Ability to promote a systemic approach towards achieving the Sustainable Development Goals (SDGs) defined in the context of the United Nations.

			• Role of the Banking Group in relation to ESG issues • Importance of communicating the results achieved and the objectives set in the sustainability and ESG sphere. • Main challenges and strengths of the Banking Group in implementing the Industrial Plan with a focus on ESG. • Importance of diversity and inclusion in the workplace. • Support for SMEs in the area of sustainability. • Educating the younger generations on sustainability issues. • Protection and future of work, including in light of the digitalisation trend in services
SHAREHOLDERS/ INVESTORS/ RATING AGENCY	SRI investors	Meeting with investor	• Environmental issues, particularly in relation to climate change adaptation, biodiversity, natural resources and decarbonisation. • Sustainable financing and investments. • Sustainability policies. • Inclusion and diversity, and gender pay gap. • Human rights. • Employee well-being. • Development and digitalisation. • Sustainability and ESG integration in business strategies. • Workers' rights and Corporate Governance.
PEOPLE	Group employees, in Italy and abroad	Interviews with the Human Resources and Workers' Health and Safety functions	• Assessment of the perception of the Group's image from the customers' point of view, based on individual professional experience. • Attention to and care for employment levels in restructuring processes. • Hiring of young people. • Enhancement and satisfaction of staff. • Development and retention of talent. • Training and professional development. • People's well-being (flexibility and work-life balance, relationships with colleagues and managers, and health and safety). • Transparency and objectivity of performance assessment systems. • Policies in place within the Group (e.g., Diversity and Inclusion). • ESG initiatives and products of the Banking Group. • Support for the community. • Financial inclusion. • Communication of non-financial information. • Environmental issues and biodiversity. • Ecological transition, importance of the use of renewable energy and promotion of sustainable mobility for employees. • Gender Pay Gap
		Workshop with a number of Group employees, selected from among sustainability contacts and other key figures already involved in previous ESG projects	

SUPPLY CHAIN	Players in the upstream value chain	Interview with the Procurement function	• Environmental issues, biodiversity and circular economy. • Labour protection, health and safety, diversity & inclusion and the well-being of people along the supply chain. • Management of relationships with suppliers

Step 3 - Identifying Impacts, Risks and Opportunities

An effective identification of potentially material impacts, risks and opportunities with reference to short-, medium- and long-term time horizons cannot disregard an understanding of the internal and external dynamics that may affect the business, while providing a clear view of emerging challenges and opportunities, constituting a key step in guiding the review of processes, policies and objectives. The adoption of a proactive approach to managing impacts, risks and opportunities helps strengthen the Group's resilience and promotes the generation of positive effects for communities and the environment. This activity also requires the assessment of market trends, social, economic and regulatory dynamics, as well as stakeholders' expectations, the characteristics of the activities carried out by the Group and the type of customers it addresses, together with their related expectations and needs.

In this context, as part of the process adopted for mapping IROs, the Group has taken into consideration the existing interconnections between impact materiality and financial materiality, considered to be closely integrated since the effects generated by the external context on the Group may translate into risk factors or, conversely, into potential opportunities. From this perspective, the identification of risks and opportunities is defined starting from impacts capable of generating, even potentially, financial effects for the Group. In particular, by way of example:

- an impact related to initiatives linked to the non-profit sector (e.g. community support initiatives) could contribute, with reference to opportunities, to improving the Group's brand reputation and/or increase stakeholders' trust;
- an impact related to ESG financing strategies could favour, with reference to opportunities, the expansion of product offerings through the development of solutions aligned with sustainability goals;
- an impact related to financing in sectors potentially exposed with reference to ESG issues could generate financial risks (e.g., Credit risk, Market risk) resulting from such a significant concentration.

The Group has therefore identified its impacts on the external reference context – including those connected with human rights – as well as the related risks and opportunities, taking into account strategic developments and the characteristics of its operating and business model, assigning each IRO to the relevant scope of pertinence (within the *value chain*).

In particular, for the purposes of conducting the double materiality analysis with reference to own operations, all of the Group's own workers were considered, whether employed under fixed-term or permanent contracts and whether full-time or part-time. With reference to the value chain, the scope of analysis includes the institutional, corporate and retail customers of the Group's products and services, as well as business partners and suppliers. The analysis also takes into account the economic and social realities present in the territories in which the Group carries out its activities, as well as the groups of individuals directly impacted by its main operations. In this context, the Group also recognises that certain categories of workers, consumers or (more generally) individuals may be more exposed to potential adversities or repercussions, owing to their specific characteristics, the relevant operating context or the nature of the activities carried out. In carrying out the materiality analysis, the above-mentioned differences for the different groups of individuals were therefore taken into account, modulating the considerations underlying the assessments so as to highlight their specific features.

The mapping was defined by considering the issues outlined by the ESRS standards where available (Topic, Sub topic and Sub Sub topic), also assessing the potential presence of specific issues (so-called *entity-specific*), in addition to those governed by the ESRS. As a result of this analysis, there was no need to identify IRO *entity-specific*, as the topics mapped are adequately included in the Topics and Sub topics provided for by the applicable ESRS standards. In particular, the process of mapping impacts, risks and opportunities with reference to the *standards* climate and environmental takes into account the specific features linked to the Group's operating and commercial activity, as well as its decarbonisation strategies. In particular, the following aspects were taken into account:

- safeguards put in place, both with regard to its own operations and with reference to the value chain, to ensure appropriate adaptation and mitigation of climate change and the management of energy-related and circular economy issues. Reference is therefore made to the internal and public documentation available on the Group's

- website (e.g., Environmental Policy, ESG Directive, Credit Policies, Directive on Risk Governance, Decarbonisation Strategies);
- ongoing and planned initiatives adopted to promote recycling and the use of sustainable materials (e.g., waste management, reduction in paper use, separate waste collection), as well as initiatives aimed at managing climate change adaptation and mitigation aspects connected with the Group's activities and the related value chain (for example, initiatives aimed at achieving the targets set in terms of reducing emissions Scope 1 and Scope 2 and developing the offering of green products and services);
- entering into and renewing agreements or partnerships with associations focused on research and development projects and collaborations with universities to promote initiatives on specific topics and the implementation of dedicated projects and initiatives.

With regard to the Social and Governance areas, similarly, the IRO mapping takes into account the specific features of the Group linked to its operating and commercial activity. In particular, the Group takes into account the following aspects:

- safeguards put in place by the Group in order to ensure the protection of the rights of its employees, workers along the value chain and its customers, of the communities affected, as well as measures aimed at defining and ensuring compliance with principles relating to corporate culture, protecting persons who report abuses and preventing active and passive corruption. Reference is therefore made to the Group's internal and public rules aimed at minimising the negative impacts connected with the issues in question (for example, policies governing equal treatment and employee inclusion)
- ongoing and planned initiatives adopted to protect its employees (for example, the establishment of an organisational Function dedicated to Diversity and Inclusion), employees in the value chain (for example, supplier selection according to social sustainability criteria), reference communities (for example, support for the agri-food sector), customers and end users (for example, digitalised communications to customers and Digital Banking operations), as well as initiatives aimed at disseminating an ethical culture (e.g. continuous training on anti-corruption, whistleblowing and 231 Model)

Step 4 - Assessing potentially material IROs and stakeholder engagement

Each impact, risk and opportunity identified by the Group was analysed using qualitative and quantitative information, taking into account the assessments developed as part of the contextual understanding and engagement process of internal and external stakeholders. Each impact, risk, and opportunity is detailed, where relevant, with reference to the sustainability topic examined, considering it at the highest level of detail envisaged by relevant legislation (so-called sub-sub-topic).

If a quantitative approach is adopted to determine the relevance of the identified IROs, the data required for the analyses are collected consistent with the Group's specific business aspects, existing processes and actual availability of information. If, on the other hand, the qualitative approach is adopted, the assessment of the relevance of IROs is based on the analysis of internal initiatives, policies and strategies implemented or planned by the Group.

The engagement of stakeholders, both internal and external, is also envisaged in the consolidation stage of the IRO assessment conducted.

Assessing potentially material Impacts

The assessment of impacts involved the use of the metrics described below, as defined by the relevant regulations:

- Entity: the severity of the impact, in the case of a negative impact, or the extent of the benefit from the impact, in the case of a positive impact; This dimension was defined by means of an assessment scale with values ranging from 1 to 5, each of which represents, respectively, the extent of the impact from "very low" to "very high".
- Extension: indicates the spread or scope of the impact and is defined by means of a scale from 1 to 5, the values of which represent, respectively, the breadth of the impact from "highly localised" to "global";
- Irreparability: this metric, applicable to negative impacts only, indicates how complex it is to remedy the damage resulting from the impact or to neutralise that negative impact. This dimension was defined by means of a scale from 1 to 5, the values of which represent the irremediable nature of the impact, respectively, from "very low" to "very high".

- **Probability:** this metric is to be assessed only with reference to potential impacts and indicates how likely it is that an impact will be generated in a given period of time. This dimension was defined using a scale from 1 to 5, the values of which represent the probability of the impact occurring, respectively, from "very unlikely" to "extremely likely".

The identification of the materiality of the impact takes place by assigning a score, for each impact identified by the Group, to the metrics referred to above. This process is based on an integrated analysis that combines qualitative and quantitative elements, developed in accordance with the criteria laid down by the applicable rules. In particular, the qualitative component was supported by interviews with the corporate structures involved and by dialogue with external stakeholders (for further details, please refer to the Section "Step 2 - Mapping and engaging stakeholders"). The assessment of these dimensions is carried out taking account of the short-, medium- and long-term time horizons, in accordance with the methodological indications provided by the ESRS and in line with the ESRS methodological guidelines and the projections and forward-looking analyses already developed by the Group³⁹.

In particular, impacts are material as follows:

- actual positive impacts are material if they exceed a given threshold of the values assigned to significance (defined as the arithmetic mean of the scores assigned to the extent and breadth metrics);
- actual negative impacts are material if they exceed a given threshold of the values assigned to significance (defined as the arithmetic mean of the scores assigned to the extent, breadth and irreparability metrics);
- potential positive impacts are material if they exceed a given threshold of the arithmetic mean of the values assigned to likelihood and significance (itself defined as the arithmetic mean of the scores assigned to the extent and irreparability metrics);
- Potential negatives are given by exceeding a certain threshold of the arithmetic mean of the values assigned to probability and significance (defined as the arithmetic mean of the scores assigned to the metrics of magnitude, extent and irreparability).

With reference to potential negative impacts on human rights, the assessment gives priority to the significance of the impact – considered in terms of extent, breadth and degree of irreparability. In the event of potential negative impacts on human rights, the significance of the impact (extent, breadth and irreparability) is in fact given greater weight than the likelihood of occurrence⁴⁰, in line with the indications provided by the ESRS. This approach was incorporated into the methodological criteria adopted for the analysis.

For the purposes of the Sustainability Statement, the materiality threshold was defined in order to promote comparability and transparency of information, in line with the requirements laid down by the reporting standard. Impacts that, on the basis of the calculation methods described above, have an overall assessment higher than 3 are therefore considered material.

The assessment was conducted in such a way as not to take into account, overall, any benefits attributable to remedial actions or mitigating factors. The approach was also developed to ensure, at the same time, consistency with the regulatory context of the banking sector and the structural safeguards required by law that characterise its ongoing operations.

Assessing Potentially Material Risks and Opportunities

The process of assessing risks and opportunities is carried out taking into account the specific characteristics of the financial intermediation activity carried out by the Group.

In particular, the risks identified are assessed in line with the traditional risk management and monitoring system currently adopted by the Group and in compliance with the regulations in force. Sustainability issues have been

³⁹ The following time horizons are taken into account:

- short term: the reference time horizon is 1 year
- medium term: the reference time horizon is up to 5 years;
- long term: the reference time horizon is over 5 years.

⁴⁰ In line with the provisions of the ESRS, the likelihood of occurrence is nevertheless taken into account in calculating materiality, although with a lower weighting than the assessment of the severity of the impact. This approach reflects what is clarified by EFRAG IG 1, according to which, where human rights impacts are present, severity takes precedence over likelihood in identifying material matters: "[...] in the case of human rights impacts, [...] severity takes precedence over likelihood when identifying material matters".

progressively traced back to the risk categories typical of financial intermediaries and examined at the highest level of detail, through the analysis of specific cases subject to dedicated review.

Opportunities, on the other hand, are identified and analysed taking into account the ESG initiatives, policies and strategies adopted by the Group that could lead to an expansion in the product offering and customer portfolio, a strengthening of the brand reputation and an increase in stakeholder trust, as well as the ability to attract new talent. On the basis of these elements, opportunities were traced back to four macro-categories: (i) increased stakeholder trust, (ii) attraction of talent, (iii) expansion of the product range and (iv) improvement of brand reputation.

The assessment of these risks and opportunities involved the use of the metrics described below, as defined by the relevant regulations:

- magnitude: indicates the potential scale of the financial effects associated with risks or opportunities and is defined by means of an assessment scale with values ranging from 1 to 5, each of which represents, respectively, a degree of scale of the risk or opportunity from "very low" to "very high";
- likelihood of occurrence: measures the probability that a risk or opportunity will materialise. This dimension was defined on a scale from 1 to 5, the values of which represent the probability of the risk or opportunity occurring, respectively, from "very unlikely" to "extremely likely".

The identification of the materiality of risks and opportunities takes place by assigning a score, for each risk and opportunity identified by the Group, to the magnitude and probability of occurrence metrics. For this purpose, in line with the EFRAG Guidelines⁴¹, the following were taken into account:

- qualitative factors, through the involvement of the various Group structures for the purpose of analysing the initiatives, safeguards, policies and internal strategies put in place by the Group (for further details on stakeholder engagement, please refer to the Section "Step 2 - Mapping and engaging stakeholders")
- quantitative factors, based on analyses and indicators already integrated into the Group's internal systems, in line with the current risk management framework and the related regulatory set-up. These assessments are also based on data used within consolidated internal processes, which support the preparation of both internal and external reporting.

In particular, with reference to the assessment of the materiality of risks, the Group analysed the financial effects associated with relevant risks by adopting, where applicable, estimates and assessments already developed as part of ordinary risk management and measurement processes. These analyses included the assessment, where appropriate, of the Group's exposure in terms of current and prospective assets or costs, adopting an inherent risk logic in line with the guidelines. Internal and well-established approaches, metrics and methodologies within the Group were appropriately supplemented with additional analyses, to bring them into line with the greater granularity required by the CSRD. With reference to opportunities, on the other hand, the assessment of financial effects was carried out by considering the current and prospective impacts connected with the provision of specific products in the areas investigated. In this context, the quantitative objectives defined in the Industrial Plan were taken into account, with particular reference to the financing volumes allocated to ESG issues, as well as the KPIs and Budget targets associated with the provision of products attributable to the various issues under analysis.

The assessment of the magnitude and likelihood metrics is carried out taking into account the short-, medium- and long-term time horizons, in accordance with the methodological indications provided by the ESRS⁴². The approach adopted is also aligned with the projections and forward-looking assessments already developed by the Group, as well as the time references used in the Risk Appetite Assessment, with particular regard to climate and environmental risk analyses.

The significance of risks and opportunities is given by exceeding a given threshold of the average of the values assigned to magnitude and likelihood of occurrence. For the purposes of the Sustainability Statement, risks and opportunities that, on the basis of the calculation methods described above, have an overall assessment higher than 3 are considered material.

⁴¹ "EFRAG IG 1: Materiality Assessment Implementation Guidance"

⁴² The following time horizons are taken into account:

- short term: the reference time horizon is 1 year
- medium term: the reference time horizon is up to 5 years;
- long term: the reference time horizon is over 5 years

With particular reference to climate change (ESRS E1), a process was carried out to identify physical and transition risk factors, according to a pathway that provides for:

- the identification and analysis of potential physical risks (both acute and chronic) and transition risks linked to climate change. For further details on the type of scenarios used, please refer to the paragraph "Material impacts, risks and opportunities and their interaction with strategy and the business model";
- the identification of the main transmission channels of climate risks on the main "core" risks relevant to the Group and the integration of the related assessments into the risk management systems, in order to define intervention priorities and develop containment measures aimed at strengthening the Group's overall resilience (for further details please refer to the paragraph "Material impacts, risks and opportunities and their interaction with strategy and the business model")
- the definition of exposure measurement metrics and the related key indicators for risks deemed material, together with the definition of attention thresholds (for further details please refer to the paragraph "Impacts, risks and opportunities and their interaction with strategy and the business model").

The process of assessing physical and transition risks is carried out with reference to the three identified scopes and is divided into the following areas of analysis:

- sensitivity analysis aimed at measuring the level of exposure of the Group's own activities to the identified climate risks, through the assessment of the potential effects on the Group's assets;
- analysis of the Group's portfolio aimed at estimating exposure to counterparties potentially subject to physical and transition risks;
- verification of the maturity level of the management systems adopted by suppliers with respect to climate risks, in order to identify any areas of greater vulnerability along the supply chain.

Step 5 - Identifying and validating material topics

The relevance of sustainability issues was determined in a manner consistent with relevant regulations. In particular, if at least one mapped impact, risk or opportunity is material to the analysis area, that issue is material to the Group.

The process of mapping and assessing impacts, risks and opportunities was shared and consolidated by the competent Group functions through the stakeholder management process mentioned above. After conducting the materiality analysis, the list of topics found to be material for the Group was shared with the management of the Group in the ESG Session of the Management Committee, the Risk and Sustainability Committee, the Board of Statutory Auditors and the Board of Directors.

Below is a summary representation of the results of the 2025 double materiality analysis, structured by reference macro-topics (pursuant to the ESRS standards) and including the corresponding relevant time horizons

Topic	Impact Materiality		Financial Materiality	
	Positive impacts	Negative impacts	Risks	Opportunity
E1 – Climate change	● ● ●	● ● ●	● ● ●	● ● ●
E5 – Circular economy				● ● ●
S1 – Own workforce	● ● ●	● ● ●	● ● ●	● ● ●
S2 – Workers in the value chain	● ● ●			
S3 – Affected communities	● ● ●			● ● ●
S4 – Consumers and end users	● ● ●	● ● ●	● ● ●	● ● ●
G1 – Business conduct	● ● ●	● ● ●	● ● ●	● ● ●

Compared with the previous financial year, no changes are noted at the level of material Topics. As in the previous year, all macro-topics set out by the ESRS standards are material, with the exception of the Topic "ESRS E2 - Pollution", "ESRS E3 - Water and marine resources" and "ESRS E4 - Biodiversity and ecosystems".

However, when making a differentiated comparison between impact materiality and financial materiality, it is evident that, compared with the previous reporting year, the standard "ESRS S1 – Own workforce" is now also material from a risk perspective.

The analysis carried out in fact showed the potential risk linked to talent outflow to be material. It should nevertheless be noted that the issue is already adequately safeguarded by the Group, as illustrated in the dedicated section (for further details please refer to the section "ESRS S1 – Policies, Actions and Targets relating to own workforce – Retention").

Below is a summary of the impacts, risks and opportunities identified as relevant as a result of the 2025 double materiality analysis, broken down by each reference ESRS topic and indicating their location along the value chain:

Topic	Sub-Topic	Typology IRO	Description IRO	Value chain
E1 Climate change	Climate change adaptation	Positive impact	Positive contribution to climate change adaptation by defining and applying selection criteria for suppliers and commercial partners with specific adaptation measures and objectives	  
		Positive impact	Positive contribution to climate change adaptation through the adoption of dedicated credit and/or investment policies	  
		Risk	Risk arising from exposure to counterparties potentially unable to meet their financial obligations following extreme climate events	  
	Mitigazione dei cambiamenti climatici	Positive impact	Contribution to the reduction of indirect greenhouse gas emissions through the adoption of selection criteria for suppliers and commercial partners with specific dedicated controls	  
		Positive impact	Contribution to the reduction of indirect greenhouse gas emissions through participation in international initiatives, adoption of credit and/or investment frameworks towards companies with specific objectives and/or oversights on the issue	  
		Negative impact	Negative impact on climate change resulting from the generation of direct greenhouse gas emissions (scope1) and indirect emissions from energy consumption (scope2)	  
		Negative impact	Negative impact on climate change linked to the presence in the portfolio of counterparties characterized by a high emission profile	  
		Risk	Risk arising from exposure to counterparties potentially unable to meet their financial obligations in the face of adversities in their transition paths	  
		Opportunity	Strengthening the Group's brand reputation by defining and achieving objectives to support climate change mitigation	  
		Opportunity	Increase the range of products and services offered by the Group through the development of new catalog options aligned with the needs of counterparties in terms of climate change mitigation	  
	Energy	Positive impact	Contribution to the promotion of energy efficiency and the spread of the use of renewable energy through credit and/or investment strategies towards companies with specific objectives and/or oversights in this area	  
		Negative impact	Negative impact on climate change linked to the presence in the portfolio of counterparties characterised by energy inefficiencies	  
		Risk	Rischio derivante dall'esposizione verso controparti potenzialmente incapaci di far fronte ai propri obblighi finanziari a fronte di inefficienze dal punto visto del profilo energetico	  
		Opportunity	Negative impact on climate change linked to the presence in the portfolio of counterparties characterized by energy inefficiencies	  
		Opportunity	Strengthening the Group's brand reputation by defining and achieving energy efficiency objectives	  
E5 Circular Economy	Energy	Opportunity	Increase the range of products and services offered by the Group through the development of new catalogue options aligned with the needs of counterparties to manage their resource outflows	  



Relevant scope of own operations



Relevant area downstream value chain



Relevant area upstream value chain

Topic	Sub-Topic	Typology IRO	Description IRO	Value chain
S1 Own workforce	Working condition	Positive impact	Protection of employees' fundamental rights and their psychological and physical well-being, through the adoption of measures and initiatives dedicated to ensuring adequate working conditions	  
		Opportunity	Attracting new talent and improving stakeholder trust and the Group's brand reputation by defining and adopting policies aimed at ensuring adequate working conditions	  
	Equal treatment and opportunities for all	Positive impact	Contribution to the promotion of the values of diversity and inclusion, employee training and the prevention of all forms of discrimination, through the adoption of dedicated policies and initiatives	  
		Opportunity	Strengthening stakeholder trust and the Group's brand reputation through the adoption of policies aimed at ensuring equal treatment, gender and pay, the promotion of initiatives to support training and the prevention of all forms of violence and harassment in the workplace	  
	Other work-related rights	Positive impact	Contribution to worker protection through the definition of policies, union agreements and internal controls aimed at protecting personnel data	  
		Negative impact	Potential negative impact on the Group's staff resulting from the Bank's inability to develop its talents during the integration process, leading to their departure	  
		Risk	Risk of staff departures during the integration process, with potential repercussions on recruiting and onboarding processes and possible effects in terms of costs and/or revenues	  
S2 Workers in the value chain	Working conditions	Positive impact	Contribution to job protection by defining selection criteria for suppliers and business partners that guarantee safe and healthy workplaces	  
	Other work-related rights	Positive impact	Contribution to the protection of workers' fundamental rights, through the adoption of supplier and business partner selection criteria that ensure adequate safeguards for the protection of sensitive data and compliance with international human rights principles	  
S3 Affected communities	Economic, social and cultural rights	Positive impact	Contribution to the support of local communities through initiatives aimed at protecting and enhancing the territory and promoting youth employability	  
		Positive impact	Contribution to the support of local communities through initiatives aimed at protecting and enhancing the territory and promoting youth employability	  
		Opportunity	Strengthening the Group's brand reputation by defining objectives and expanding initiatives to support the economic, social and cultural rights of the communities involved	  
		Opportunity	Increase the range of products and services offered by the Group through the development of new catalog options aimed at protecting the economic, social and cultural rights of the communities concerned	  
S4 Consumers and end users	Information-related impacts	Positive impact	Contribution to the protection of the rights of consumers and end users through the adoption of measures aimed at ensuring access to clear and complete information on the products and services offered, as well as their freedom of expression	  
		Negative impact	Possible failure to protect consumers and end users following events that damage sensitive data	  
		Risk	Risk related to the potential breach of customer data, the possible limitation of customers' freedom of expression and the lack of access to clear, transparent and non-misleading information	  
		Opportunity	Increase the range of products and services offered by the Group through the development of new catalog options that guarantee the protection of customers' personal data	  
	Opportunity	Opportunity	Strengthening the trust of the Group's stakeholders by defining and implementing measures aimed at protecting customers' freedom of expression and preventing breaches of IT systems that could compromise the security and confidentiality of customer data	  
		Opportunity	Strengthening the trust of the Group's stakeholders by defining and implementing measures aimed at protecting customers' freedom of expression and preventing breaches of IT systems that could compromise the security and confidentiality of customer data	  
	Personal safety	Positive impact	Strengthening the trust of the Group's stakeholders by defining and implementing measures aimed at protecting customers' freedom of expression and preventing breaches of IT systems that could compromise the security and confidentiality of customer data	  
		Social inclusion	Positive impact	Contribution to the promotion of social inclusion of customers through the adoption of measures aimed at ensuring fair treatment of customers, access to products and services for all social categories and the adoption of ethical and transparent practices
Opportunity	Increase the range of products and services offered by the Group through the development of new catalog options that guarantee access to all social groups, including the most vulnerable		  	
 Relevant area own Operations  Relevant area downstream value chain  Relevant area upstream value chain				

Topic	Sub-Topic	Typology IRO	Description IRO	Value chain
G1 Business conduct	Corporate culture	Positive impact	Promotion and dissemination of a corporate culture based on respect for human rights and current legislation through the adoption of appropriate measures aimed at ensuring the fight against tax evasion, money laundering and anti-competitive practices	  
		Negative impact	Damage to the company's image and integrity due to situations of inadequate effectiveness of the measures put in place to protect against cyber attacks (cybersecurity)	  
		Risk	Risk associated with the possibility that the security of IT systems and network infrastructures serving customers and stakeholders is not adequately guaranteed	  
		Opportunity	Expanding the Group's customer base and strengthening its brand reputation by consolidating a solid corporate culture and achieving a positive sustainability rating from rating agencies	  
	Whistleblower protection	Positive impact	Contribution to corporate transparency and responsibility by strengthening the protection of whistleblowers through secure reporting channels and protection from potential repercussions	  
		Opportunity	Strengthening the trust of the Group's stakeholders by defining appropriate measures aimed at ensuring the protection of whistleblowers	  
	Active and passive corruption	Negative impact	Strengthening the trust of the Group's stakeholders by defining appropriate measures aimed at ensuring the protection of whistleblowers	  
 Relevant area own operations  Relevant area downstream value chain  Relevant area Upstream value chain				

The policies, actions, targets and metrics adopted for the management and mitigation of the impacts, risks and opportunities found to be material as part of the double materiality analysis are described in the subsequent chapters dedicated to the individual relevant ESRS standards. In this context, the resilience of the Group's strategy and business model is reflected in its ability to deal with material risks and impacts that have arisen, as well as to take advantage of identified opportunities. This resilience is ensured by the consistency of the analyses carried out in the context of the double materiality analysis with the stakeholder engagement activity, with the 2024-2028 Industrial Plan and with the analyses of the impact of ESG risk factors on the intermediary's traditional risks, for which please refer to the paragraph "ESG Risks" - Part E – "Information on risks and related hedging policies" in the Consolidated Notes to the financial statements.

Material impacts, risks and opportunities and their interaction with strategy and the business model

The process of identifying and assessing risks related to climate change, with respect to the taxonomy areas defined as *Climate Change Mitigation* (or "CCM") and *Adaptation* (or "CCA"), hereinafter also the C&A risks, was developed as part of a process undertaken in the wake of the November 2020 ECB *Guidelines* and aimed at integrating the broader risk management *framework* with the risk factors related to the topic under analysis.

The analysis of risk factors related to climate change and impacting the Group's core financial and non-financial risks was carried out for **transition risk** (Climate Change Mitigation) and for physical risk (Climate Change Adaptation), according to a pathway that includes:

- the identification of possible transmission channels and analysis of their materiality for the main risks (core risks);
- the preparation of exposure measures and definition of key exposure indicators for risks that are considered material;
- analysis of the impact on the profit and loss account and/or on the value of the Group's assets, mainly through scenario analysis;
- the definition of attention thresholds (tolerance) and related operational limits, assigned to organisational entities capable of operationally having an impact on the level of the indicators, with appropriate escalation processes aimed at intervening in the event of overruns and restoring the overrun levels to normal.

As part of the evolution of management models, variables linked to physical and transition risk were integrated into simulation processes to determine risk add-ons. These add-ons, calculated through the probability of default (PD) and/or loss given default (LGD), take into account the physical and transition risks of the counterparties analysed.

The C&A risk management approach includes the definition of a tolerance margin based on adverse scenario analyses conducted in internal and institutional climate stress testing programmes. Within this dimension, operational risk exposure limits are established and assigned to business structures to ensure a balance between risk containment and

the business focussed on mitigation strategies. If C&A limits are exceeded, an escalation process is triggered for the decision-making bodies, which take the necessary corrective measures to bring the exposure back within the set limits or to avoid an increase in risk.

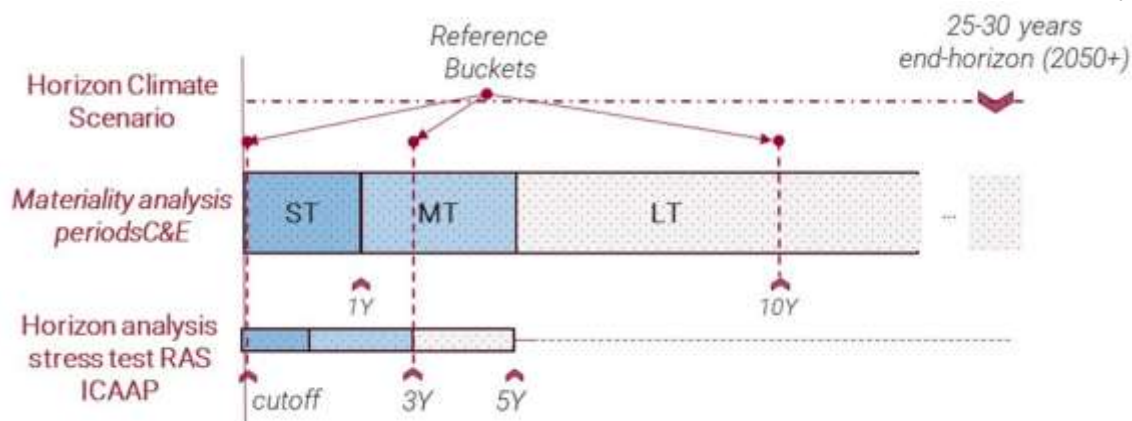
The identification and assessment of climate risk exposure is based on scenarios with high physical and transitional risks. The climate scenarios used for physical risk are based on Open Data (ISPRAmbiente, IPCC, Copernicus) and commercial sources (Cerved Spa), with medium- to long-term impact projections according to “Current Policies” models (Hot House World). For transition risk, scenarios are used that envisage a drastic reduction in greenhouse gas bond issues, such as “Net Zero 2050”, in line with the Paris Agreement.

The C&A risk analyses are structured over three time horizons, in line with those used for the purposes of the Risk Appetite Statement (RAS), defined on the basis of the ECB Guide on climate-related and environmental risks (Nov 2020), consistently extending the traditional banking planning time span (typically 3–5 years) so as to provide sufficient depth for the temporal development of climate scenarios whose material effects are expected over the longer term, often up to and beyond 2050.

Accordingly, the overall time range was redefined so that the long-term (LT) interval is effectively open-ended, with a specific intermediate reference point (or reference bucket, in financial terminology) at 10 years.

The short and medium term of this specific climate time scale are anchored to what has traditionally been the entire banking planning horizon (up to 5 years). This makes it easier to frame strategies simultaneously within the traditional planning horizon and within the long-term climate and environmental horizons. In summary, the time bands defined for risk and strategic analyses in the climate and environmental area are structured as follows:

- **short-term (ST):** up to 1 year, with specific reference to the cut-off date;
- **Medium-term (MT):** between 1 and 5 years, with a specific intermediate reference bucket at 3 years.
- **Long-term (LT):** over 5 years (effectively to infinity or, in any event, beyond 2050), with a specific reference bucket at 10 years.



The materiality analyses, for the time horizons described above, were carried out on the basis of projections of updated risk maps, expanded with the inclusion of any worsening trends detected by sectoral or scientific studies.

From the analysis of climate risk factors, the Group has identified exposures to the following risks as material and subjected them to continuous monitoring:

- Physical climate risk for credit risk in non-financial corporate portfolios;
- Physical climate risk for credit risk in portfolios of mortgages to retail customers;
- Transition climate risk for credit risk in non-financial corporate portfolios;
- Transition climate risk for credit risk in portfolios of mortgages to retail customers;

- transition climate risk for operational and reputational risk (linked to exposure to counterparties operating in so-called brown sectors⁴³) and to stakeholders' perception of the Group's risk).

All these factors are relevant over all time horizons and, as such, have been associated with Key Risk Indicators (KRIs) defined in the RAS with the relative identification of operational limits. The RAS KRI and related operational limits of these indicators are monitored quarterly and reported periodically to the Parent Company's top management as part of Risk Appetite Monitoring.

The integration of climate risk factors into risk management and strategic processes reinforces the Group's commitment to support the transition to climate neutrality, while ensuring risk mitigation, financial stability and resilience to emerging risks.

For a description of the analysis process carried out to identify climate change-related risks, please refer to the paragraph "ESG Risks" - Part E – "Information on risks and related hedging policies" in the Notes to the Consolidated Financial Statements.

⁴³ Brown loans are loans granted to sectors or companies with a high negative environmental impact, (i.e. activities with high levels of CO₂ emissions and not aligned with the ecological transition).

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Section	ESRS topic	Duty of disclosure	Paragraph
Section 1 - General information	ESRS 2 General Disclosures	BP-1 - General basis for the preparation of sustainability statements	General Criteria for the drawing up of the Sustainability Statement
		BP-2 - Disclosure in relation to specific circumstances	Disclosure in relation to specific circumstances
		GOV-1 The role of the administrative, management and supervisory bodies	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	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	Integration of sustainability-related performance in incentive schemes
		GOV-4 - Statement on due diligence	Statement on due diligence
		GOV-5 - Risk management and internal controls over sustainability reporting	Risk management and internal controls over sustainability reporting
		SBM-1 - Strategy, business model and value chain	Strategy, business model and value chain
		SBM-2 - Interests and views of stakeholders	Double materiality analysis
		SBM-3 Material impacts, risks and opportunities and their interaction with strategy and the business model	Material impacts, risks and opportunities and their interaction with strategy and the business model
		IRO-1 Description of the process to identify and assess material impacts, risks and opportunities	Double materiality analysis
		IRO-2 Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Elements of information from other EU regulations

Section	ESRS topic	Duty of disclosure	Paragraph
Section 2 - Environmental information	E1 Climate change	ESRS 2 GOV-3 - Integration of sustainability-related performance in incentive schemes	Integration of sustainability-related performance in incentive schemes
		ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and the business model	Material impacts, risks and opportunities and their interaction with strategy and the business model
		ESRS 2 IRO-1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities	Double materiality analysis
		E1.1 - Transition plan for climate change mitigation	Transition plan for climate change mitigation
		E1-2 Policies related to climate change mitigation and adaptation	Policies related to climate change mitigation and adaptation
		E1-3 Actions and resources in relation to climate change policies	Climate change actions
		E1-4 Targets related to climate change mitigation and adaptation	Climate change targets
		E1-5 Energy consumption and mix	Energy consumption and mix
		E1-6 Gross Scope 1, 2, 3 and total GHG emissions	Gross Scope 1, 2, 3 Greenhouse Gas Emissions (GHG)
		E1-7 GHG removals and GHG mitigation projects financed with carbon credits	GHG removals and GHG mitigation projects financed with carbon credits
		E1-8 Internal carbon pricing	Not applicable.
		E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Phased-in

	E5 Resource use and circular economy	ESRS 2 IRO-1 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	Double materiality analysis
		E5-1 Policies related to resource use and circular economy	Not applicable.
		E5-2 Actions and resources related to resource use and circular economy	Not material
		E5-3 Targets related to resource use and circular economy	Not applicable.
		E5-4 Resource inflows	Not material
		E5-5 Resource outflows	Not material
		E5-6 Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Phased-in

Section	ESRS topic	Duty of disclosure	Paragraph
Section 3 - Social Information	S1 Own workforce	ESRS 2 SBM-2 Interests and views of stakeholders	Double materiality analysis
		ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities and their interaction with strategy and the business model
		S1-1 Policies related to own workforce	Policies related to own workforce
		S1-2 Processes for involving own workers and workers' representatives on impacts	Processes for involving own workers and workers' representatives on impacts
		S1-3 Processes to remediate negative impacts and channels for workers to raise concerns	Processes to remediate negative impacts and channels for workers 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	Actions related to own workforce
		S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Targets related to own workforce
		S1-6 Characteristics of the undertaking's employees	Characteristics and composition of the company's employees
		S1-7 - Characteristics of non-employees in the enterprise's own workforce	Characteristics of non-employees in the company's own workforce
		S1-8 - Collective bargaining coverage and social dialogue	Collective bargaining coverage and social dialogue
		S1-9 - Diversity Metrics	Diversity Metrics
		S1-10 - Adequate wages	Adequate wages
		S1-11 - Social protection	Social protection
		S1-12 - Persons with disabilities	Persons with disabilities
		S1-13 - Training and skills development metrics	Training and skills development metrics
		S1-14 Health and safety	Health and safety metrics
		S1-15 Work-life balance	Work-life balance metrics
		S1-16 Remuneration metrics (pay gap and total remuneration)	Remuneration metrics (pay gap and total remuneration)
		S1-17 - Incidents, complaints and severe human rights impacts	Incidents, complaints and severe human rights impacts
	S2 Workers in the	ESRS 2 SBM-2 Interests and views of stakeholders	Double materiality analysis
		ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities and their interaction with strategy and the business model
		S2-1 Worker-related policies in the value chain	Worker-related policies in the value chain

	value chain	S2-2 Process of involving workers in the value chain on impacts	Process of involving workers in the value chain on impacts
		S2-3 Processes to remediate negative impacts and channels for workers in the value chain to raise concerns	Processes to remediate negative impacts and channels for workers in the value chain to raise concerns
		S2-4 Actions on material impacts for workers in the value chain and approaches for the management of relevant risks and the achievement of relevant opportunities for workers in the value chain, as well as the effectiveness of these actions	Worker-related actions in the value chain
		S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Worker-related targets in the value chain
	S3 Affected communities	ESRS 2 SBM-2 Interests and views of stakeholders	Double materiality analysis
		ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities and their interaction with strategy and the business model
		S3-1 Policies related to affected communities	Policies related to affected communities
		S3-2 Processes for engaging with affected communities about impacts	Processes for engaging with affected communities about impacts
		S3-3 Processes to remediate negative impacts and channels for affected communities to raise concerns	Protection of human rights in affected communities
		S3-4 Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	Actions related to affected communities
		S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Targets related to affected communities
	S4 Consumers and end-users	ESRS 2 SBM-2 Interests and views of stakeholders	Double materiality analysis
		ESRS 2 SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	Material impacts, risks and opportunities and their interaction with strategy and the business model
		S4-1 Policies related to consumers and end-users	Policies related to consumers and end-users
		S4-2 Processes for engaging with consumers and end-users about impacts	Consumer and end-user involvement processes
		S4-3 Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	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	Actions related to consumers and end-users
		S4-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Targets related to consumers and end-users

Section	ESRS topic	Duty of disclosure	Paragraph
Section 4 - Governance	G1 Business	ESRS 2 IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	Double materiality analysis
		ESRS 2 GOV-1 The role of the administrative, management and supervisory bodies	The role of the administrative, management and supervisory bodies

Information	conduct	G1-1 Business conduct policies and corporate culture	Policies related to business conduct
		G1-2 Management of relationships with suppliers	Not material
		G1-3 Prevention and detection of corruption and bribery	Training on the fight against corruption and bribery
		G1-4 Confirmed incidents of corruption or bribery	Confirmed incidents of corruption or bribery
		G1-5 Political influence and lobbying activities	Not material
		G1-6 Payment practices	Not material

The minimum reporting requirements regarding metrics, policies, actions and targets (MDR-M, MDR-P, MDR-A, MDR-T) are defined in those sections of each ESRS.

Elements of information from other EU regulations

[IRO- 2]

Duty of disclosure	Material/Non-material	Paragraph
ESRS 2 GOV-1 Board gender diversity, paragraph 21 (d)	Material	The role of the administrative, management and supervisory bodies
ESRS 2 GOV-1 Percentage of board members who are independent, paragraph 21 (e)	Material	The role of the administrative, management and supervisory bodies
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Material	Statement on due diligence
ESRS 2 SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) ii	Not applicable.	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	Not applicable.	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Not applicable.	
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14	Material	Transition plan for climate change mitigation
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)	Material	Transition plan for climate change mitigation
ESRS E1-4 GHG emission reduction targets paragraph 34	Material	Climate change targets
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Material	Energy consumption and mix
ESRS E1-5 Energy consumption and mix, paragraph 37	Material	Energy consumption and mix
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40–43	Material	Energy consumption and mix
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44	Material	Gross Scope 1, 2, 3 Greenhouse Gas Emissions (GHG)
ESRS E1-6 Gross GHG emissions intensity paragraphs 53–55	Material	Gross Scope 1, 2, 3 Greenhouse Gas Emissions (GHG)
ESRS E1-7 Greenhouse gas removal and carbon credits, paragraph 56	Material	GHG removals and GHG mitigation projects financed with carbon credits
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66	Phased-in	
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)	Phased-in	
ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).	Phased-in	
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).	Phased-in	
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities paragraph 69 Material	Phased-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	Immaterial	
ESRS E3-1 Water and marine resources paragraph 9 (water only)	Immaterial	
Duty of disclosure	Material/Non-material	Paragraph
ESRS E3-1 Dedicated policy, paragraph 13	Immaterial	
ESRS E3-1 Sustainable oceans and seas, paragraph 14	Immaterial	
ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	Immaterial	
ESRS E3-4 Total water consumption in m ³ per net revenue on own operations, paragraph 29	Immaterial	
ESRS 2 - IRO 1 - E4, paragraph 16 (a) i	Immaterial	
ESRS 2 - IRO 1 - E4, paragraph 16 (b)	Immaterial	
ESRS 2 - IRO 1 - E4, paragraph 16 (c)	Immaterial	
ESRS E4-2 Sustainable land / agriculture practices or policies, paragraph 24 (b)	Immaterial	
ESRS E4-2 Sustainable oceans / seas practices or policies, paragraph 24 (c)	Immaterial	
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Immaterial	
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Immaterial	
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Immaterial	
ESRS 2 - SBM3 - S1 Risk of incidents of forced labour, paragraph 14 (f)	Not applicable.	
ESRS 2 - SBM3 - S1 Risk of incidents of child labour, paragraph 14 (g)	Not applicable.	
ESRS S1-1 Human rights policy commitments, paragraph 20	Material	Policies related to own workforce
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21	Material	Policies related to own workforce
ESRS S1-1 Processes and measures for preventing trafficking in human beings paragraph 22	Not applicable.	
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	Material	Policies related to own workforce
ESRS S1-3 Grievance/complaints handling mechanisms paragraph 32 (c)	Material	Processes to remediate negative impacts and channels for workers to raise concerns
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	Material	Health and safety metrics
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	Material	Health and safety metrics
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	Material	Remuneration metrics (pay gap and total remuneration)
ESRS S1-16 Excessive CEO pay ratio, paragraph 97 (b)	Material	Incidents, complaints and severe human rights impacts
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	Material	Incidents, complaints and severe human rights impacts
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD, paragraph 104 (a)	Material	Incidents, complaints and severe human rights impacts
ESRS 2 - SBM3 - S2 Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)	Not applicable.	
ESRS S2-1 Human rights policy commitments, paragraph 17	Material	Worker-related policies in the value chain

ESRS S2-1 Policies related to value chain workers, paragraph 18	Material	Worker-related policies in the value chain
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19	Material	Worker-related policies in the value chain
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19	Material	Worker-related policies in the value chain
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	Material	Worker-related actions in the value chain
ESRS S3-1 Human rights policy commitments, paragraph 16	Material	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	Material	Policies related to affected communities
ESRS S3-4 Human rights issues and incidents, paragraph 36	Not applicable.	
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	Material	Policies related to consumers and end-users
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 17	Material	Policies related to consumers and end-users
ESRS S4-4 Human rights issues and incidents, paragraph 35	Not applicable.	
Duty of disclosure	Material/Non-material	Paragraph
ESRS G1-1 United Nations Convention against corruption, paragraph 10 (b)	Not applicable.	
ESRS G1-1 Protection of whistleblowers, paragraph 10 (d)	Not applicable.	
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	Material	Confirmed incidents of corruption or bribery
ESRS G1-4 Standards of anti- corruption and anti-bribery, paragraph 24 (b)	Material	Confirmed incidents of corruption or bribery

Group sustainability policies

[MDR-P]

This chapter describes the Group Policies⁴⁴ through which the *Topics and Sub-topics* identified as material by the Double Materiality analysis are addressed. This section is referred to whenever a specific Policy is mentioned in the Document, in order to bring together in a single paragraph a structured and consistent description of the information required by the regulation, including the main contents, general objectives, scope of application (and any exclusions), the parties responsible for implementation, the methods for engaging *stakeholders* and the criteria for the dissemination and accessibility of each Policy

All Policies and Directives are subject to approval by the Chief Executive Officer and/or the Parent Company's Board of Directors. The subsidiaries adopt the rules by resolution of their respective governing bodies, adapting rules, responsibilities and internal processes in line with their own characteristics and size.

For other types of document for which approval authority is assigned to a body other than the Chief Executive Officer/Board of Directors and at a lower level, the approving body is specified on the cover page of the internal regulatory document.

All the internal regulatory documents referred to are made available on the corporate intranets. Some *Policies* are also published on the Group's public corporate website; in such cases, the Document's external availability is indicated by a specific mark (X) shown next to the title of the policy.

Climate and Environmental

Set out below are the Group Policies that define the reference framework and controls aimed at managing climate and environmental impacts, risks and opportunities identified as material in the Double Materiality analysis.

Group Policy on Safety and Environment [ESRS E1]

The Group Policy on Safety and Environment formalises the organisation's commitment to protecting health, safety and the environment, integrating ethical principles, regulatory requirements and international standards into a consistent system of management and continuous improvement.

The Policy defines the organisational models and rules for managing risks relating to physical and logical security, occupational health and environmental protection through an integrated and cyclical approach based on context analysis, regulatory compliance, monitoring and review. In particular, the Policy governs and coordinates:

- the health and safety of Group personnel, through oversight of the Occupational Health and Safety Management System (OHSMS), risk assessment, training programmes and health surveillance;
- the protection of employees, Customers and the Group's physical assets by defining general criteria and guidelines and adopting active and passive physical security standards;
- the Group's logical security and cybersecurity, through the protection of information assets and the management of logical access, with the aim of promptly managing cyber incidents and breaches, as well as combating fraud on digital and traditional channels;
- environmental protection, through the adoption of procedures aimed at ensuring compliance with environmental legislation, as defined by the Environmental Management System (EMS), taking into account both direct and indirect environmental impacts and the integration of environmental assessments into credit and procurement processes.

The provisions of the Policy apply to all Group companies and, where relevant to the activities performed, must also be applied by all third parties (suppliers, consultants, etc.) operating within the Group's operating context.

The Policy has been drawn up in compliance with the legislation in force (Italian Legislative Decree No. 152/2006, the so-called "Environmental Code", Italian Legislative Decree No. 81/2008, Italian Legislative Decree No. 121/2011, PSD2, Bank of Italy Circular No. 285/13), as well as with international standards ISO 45001:2018 (on health and safety) and ISO

⁴⁴ The scope of application of the Policies shall be understood as excluding Mediobanca, as a result of the ongoing integration process, which provides for the formal alignment of the regulatory framework in the subsequent reporting period.

14001:2015 (on environmental matters). It is also integrated into the Organisational Model pursuant to Italian Legislative Decree No. 231/2001 for the purposes of preventing environmental and health and safety offences.

The Policy is subject to approval by the Board of Directors, following the opinion of the relevant Board Committees and the Steering Committee.

Group Directive on Environmental Management System Oversight [ESRS E1]

The Group Directive on Environmental Management System Oversight governs the Group's commitment to environmental protection, defining the organisational model for oversight of the Environmental Management System – EMS and compliance with environmental protection legislation.

The Directive is aimed at establishing a structured and certified environmental management system, ensuring its integration into business processes through the definition of dedicated roles and responsibilities. In particular, the model provides for the identification of key roles for managing the system (including Top Management for the EMS, the Top Management Representative and the Head of the EMS), as well as the involvement of specialist functions (property, logistics, compliance, HR, etc.) and dedicated operational roles (*Energy Manager, Mobility Manager*, etc.).

Through implementation of the Directive, the Group ensures compliance with applicable environmental legislation and oversight of material environmental risks, also for the purposes of preventing offences pursuant to Italian Legislative Decree No. 231/2001. This objective is pursued through oversight of the EMS, which constitutes the operational instrument through which the Group ensures:

- the identification and updating of environmental requirements;
- the definition of measurable improvement objectives and the monitoring of environmental performance;
- the training and awareness-raising of staff on environmental issues;
- the management of environmental emergencies and non-conformities;
- transparent internal and external communication.

Any updates to the Directive are subject to approval by the Board of Directors.

The Directive applies to the Parent Company and all Group companies and has been drawn up in compliance with mandatory provisions and the UNI EN ISO 14001 standard (Environmental Management Systems).

Montepaschi Group Environmental Policy (X) [ESRS E1] <https://www.gruppomps.it/static/upload/pol/policy-ambientale.pdf>

The Group Environmental Policy represents the organisation's strategic and operational commitment to environmental protection, in line with its Code of Ethics and with international sustainability principles, including the UNEP Declaration and the United Nations Global Compact.

In particular, in the ESG sphere, the Policy aims to:

- define the guiding criteria for the responsible management of environmental impacts;
- promote compliance with applicable environmental legislation and voluntary codes of conduct;
- support the continuous improvement of environmental performance through management and control systems.

With reference to own operations, the Policy governs the purchase of goods and services through the assessment of their environmental impact throughout the life cycle, promotes the reduction of the consumption of natural resources, including through recycling and the use of renewable energy, and aims to minimise waste and polluting and climate-altering emissions, while at the same time promoting sustainable mobility for staff. Through its application, the Group also integrates environmental sustainability into relations with customers and partners, adopting lending policies that consider the environmental impacts of financed projects, supporting the efficient management of natural resources and promoting environmental investments, also in collaboration with institutions and civil society.

The Policy is addressed to the Parent Company and all Group Companies. The Parent Company coordinates the implementation of the Environmental Policy through the competent functions, ensuring that staff are adequately trained and actively involved in its application. Stakeholders are informed transparently through the adoption of the best reporting and disclosure standards.

The Policy is implemented in compliance with all applicable environmental protection regulations, including externally issued codes of conduct to which the Group Companies adhere, such as the UNEP FI Declaration on the Environment and Sustainable Development and the United Nations Global Compact.

The contents of the Policy are subject to periodic review, at least annually, during the Management Review, or more frequently where necessary. The Policy is subject to approval by the Board of Directors, following the opinion of the relevant Board Committees and the Executive Committee.

Waste disposal service management and monitoring [ESRS E5]

Through the Waste Disposal Service Management and Monitoring Document, the Group governs the entire waste management cycle for waste produced on company premises. The document ensures full compliance with the environmental legislation in force and contributes to the transition to the circular economy, in line with Legislative Decree 116/2020, as amended.

The system is based on the principles of precaution, prevention, sustainability, accountability and cooperation among all the parties involved, in accordance with the criteria defined at European and national level. The model incorporates the main regulatory developments, with particular reference to:

- circular economy and new waste classification (Legislative Decree 116/2020);
- SNPA Guidelines and MITE Decree No. 47/2021;
- introduction of the National Electronic Register for Waste Traceability (RENTRI) and new waste consignment notes;
- characterisation, traceability and reporting obligations (FIR, loading/unloading register, MUD).

The approving operating structure defines standardised processes for: waste classification; selection of the delivery method (public service vs authorised operators); management of specific materials (toner, WEEE, strongrooms, archive materials, maintenance waste); document control and traceability; continuous monitoring of suppliers.

The model assigns clear responsibilities throughout the management chain:

- Waste producer and holder: the Bank, for materials generated by its own activities; maintenance contractors/suppliers, for waste resulting from the work performed.
- Waste Disposal Coordination Function: oversees the process, carries out due diligence on suppliers, checks authorisations, archives documentation and ensures compliance with legal obligations.
- Person in charge on site: supervises operational activities, checks forms and authorisations, monitors deliveries and retains documentation for audits.
- Authorised suppliers: registered with the National Register of Environmental Managers, responsible for transport and disposal in accordance with the regulations in force.

Governance is supported by first-level control processes, periodic monitoring and structured reporting obligations.

The scope of the document includes all categories of waste – urban, special, hazardous and non-hazardous – produced by the Parent Company and all Group companies. The document also applies to suppliers operating on company premises who, as producers of the waste resulting from their own activities, are required to ensure its proper treatment.

Risk management

Below are the Group Policies that define the reference framework and governance safeguards for managing the material risks to which the Group is exposed, as identified in the Double Materiality analysis.

Group Policy on Risk Management (Risk Governance) [ESRS E1 – S1 – S4 – G1]

The Group Policy on Risk Management (Risk Governance) defines the principles, models and rules for the overall governance of risks. The aim is to ensure soundness, transparency and regulatory compliance, ensuring risk

management consistent with risk appetite and long-term sustainability. The scope covers all material risks (credit, market, liquidity, operational, ICT, reputational and strategic risks).

The Policy aims to ensure:

- clear accountability of corporate bodies and separation between business and control lines;
- independence of controls and prevention of conflicts of interest;
- a widespread risk culture at all levels.

The structure of the Group's Risk Management system is organised according to the three lines of defence model:

- Business Function, risk ownership and first-level controls;
- Risk Management, Compliance and Anti-Money Laundering, second line of defence;
- Internal Audit, third line of defence.

Risk governance is entrusted to the Board of Directors, supported by the Risks and Sustainability Committee, which defines and supervises the overall risk management framework, ensuring its consistency with Risk Appetite and long-term strategic objectives. The Chief Executive Officer is responsible for the operational implementation of the approved guidelines, while the independent Risk Management Function, headed by the CRO, oversees risk identification, measurement, monitoring and reporting processes. The system is completed by the Internal Audit Function, which independently assesses the overall effectiveness and adequacy of the internal control and risk management system.

The Document complies with ECB and EBA guidelines, the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), thereby ensuring transparency in ESG disclosure and consistency with the objectives of the 2030 Agenda and the European Green Deal.

The Policy applies to the Parent Company and its subsidiaries.

Assessment of the Materiality of Climate and Environmental Risk Factors [ESRS E1 – E5 – G1]

Through the document "Assessment of the Materiality of Climate and Environmental Risk Factors", the Group defines and governs the periodic materiality assessment process aimed at evaluating the relevance of ESG risk factors and the related transmission mechanisms. This activity falls within the scope of Risk Identification and forms an integral part of the Group's RAS and ICAAP/ILAAP processes.

This process constitutes the first step in the management of ESG risk factors relating to impacts and opportunities which may potentially affect the Bank's core risks (credit, market, operational and liquidity risks) through specific transmission mechanisms. The document is therefore intended to describe the nature and characteristics of the risk factors addressed and the related transmission mechanisms considered plausible and therefore subject to periodic reassessment.

Responsibility is assigned to the Risk Management – Risk Integration and Reporting Function, with the involvement of business structures and control functions. The process is integrated into the Risk Appetite Framework, the ICAAP/ILAAP and business continuity plans, with periodic updates and reporting to Senior Management.

The Document complies with ECB and EBA guidelines, the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), thereby ensuring transparency in ESG disclosure and consistency with the objectives of the 2030 Agenda and the European Green Deal.

The Policy currently applies to the Parent Company and the subsidiary Widiba.

Group Directive on the Governance of the Risk Appetite Framework [ESRS E1 – E5 – G1]

The Group Directive on the Governance of the Risk Appetite Framework is intended to establish the process methods and reference rules under which the measures, control thresholds and operational limits adopted by the Group for the management of risk factors assessed as material during the materiality assessment process governed by the document "Assessment of the Materiality of Climate and Environmental Risk Factors" are determined. These rules are defined consistently with the methodologies developed in the ESG risk "meta-framework", set out in the relevant internal documents (*ESG Outlook – Integration of ESG risk factors into creditworthiness, Methodological rules for ESG risk factors: identification and measurement of environmental and climate risks*).

In particular, for factors considered material, individually or in combination with other risk factors, the Directive governs the activation of monitoring and management safeguards through the inclusion of appropriate key risk indicators (KRIs).

within the Risk Appetite Monitoring (RAM) process, which are periodically measured and brought to the attention of senior management and the Group's top corporate bodies through specific regular reporting.

The Document complies with ECB and EBA guidelines, the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), thereby ensuring transparency in ESG disclosure and consistency with the objectives of the 2030 Agenda and the European Green Deal.

The Directive applies to the Parent Company and to subsidiaries that adopt it by resolution of their top corporate bodies, adapting responsibilities, processes and rules in line with their own characteristics and size.

Group Directive on Capital Adequacy Assessment [ESRS E1 – E5 – G1]

The Group Directive on Capital Adequacy Assessment (ICAAP – Internal Capital Adequacy Assessment Process), together with the related rule and process documents, defines the rules used to consider material ESG risk factors in calculating scenario impacts for ICAAP assessments and in the internal stress programme.

In particular, ESG risk factors assessed as material with an impact on core risks (currently transition climate and physical climate risk factors in relation to credit risk), as well as being monitored within RAM (in accordance with the "Group Directive on the Governance of the Risk Appetite Framework"), are also integrated into the scenario simulations used for ICAAP analyses and into internally conducted stress testing activities. The scenarios used for these what-if analyses are based on the official scenarios defined (and approved by the Board of Directors) for core risk assessments, but are supplemented with the appropriate variables relating to ESG aspects (currently physical and transition climate risk variables). Developments in the rules used in this process are described from time to time in the ICAAP package.

The Document complies with ECB and EBA guidelines, the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), thereby ensuring transparency in ESG disclosure and consistency with the objectives of the 2030 Agenda and the European Green Deal.

The Policy currently applies to the Parent Company and the subsidiaries Widiba and Monte Paschi Banque.

ESG Outlook Framework – Integration of ESG risk factors into creditworthiness [ESRS E1 – E5 – S4 – G1]

Through the ESG Outlook Framework, the Group defines the methodological framework for assessing ESG (environmental, social and governance) risk factors in corporate counterparties, with the aim of integrating sustainability into the credit risk management process. The framework, developed under the ECB ESG-Risk Action Plan, responds to regulatory requirements and the findings of the ECB Thematic Review, complementing the regulatory rating with an ESG Outlook that provides a forward-looking assessment of the counterparty's sustainability profile.

The Group's ESG model is based on an expert-based approach, combining qualitative and quantitative analysis of ESG factors. Key components include the TAC MPS (Taxonomy Alignment Coefficient), a sector risk indicator based on alignment with the EU Taxonomy, and the individual ESG score, derived from a structured questionnaire covering three areas (Environmental 65%, Social 10%, Governance 25%). The ESG questionnaire is available in two versions, one structured for companies with turnover exceeding EUR 50 mln and a basic version for SMEs, and includes questions on bond issues GHG, energy consumption, waste management, water withdrawals, social policies and governance. Scores are assigned by comparing results with sector benchmarks and applying expert-based weighting logic, with the final outcome represented by the ESG Outlook, articulated across three levels: Positive, Neutral and Negative, depending on TAC and the individual score.

The Risk Management Function is responsible for developing the framework, calculating TAC and integrating it into rating processes. The Credit Function uses the ESG Outlook to guide lending strategies, while the internal Rating Agencies verify the questionnaires and incorporate their results into assessments. Finally, relationship managers complete the ESG questionnaires with the support of specialist functions, ensuring the correct collection and transmission of data.

Integrity and Corporate Culture

Below are the Group Policies that define the reference framework and safeguards aimed at managing the impacts, risks and opportunities related to integrity and corporate culture issues, identified as material in the Double Materiality analysis.

Group Directive on Sustainability and ESG (X) [ESRS E1 – E5 – S2 – S3 – S4]

<https://www.gruppomps.it/static/upload/dir/direttiva-di-sostenibilita--e-esg.pdf>

Through the Directive on Sustainability and ESG, the Group formalises its commitment to a sustainable development model, integrating environmental, social and governance (ESG) principles into its corporate strategy, business model and operating processes, thereby confirming the Group's intention to contribute actively to building a fairer, more inclusive and more resilient economy.

The Directive defines a structured ESG governance system involving top corporate bodies (Board of Directors, Chief Executive Officer, Executive Committee), corporate and control functions and, also through the ESG Officers, all Parent Company functions competent in the various ESG areas.

The Directive applies to the Parent Company and all Group Companies and covers own operations as well as the upstream and downstream value chain, in relation to the relevant areas of operations.

With reference to climate and environmental sustainability, the Directive defines the general criteria, guidelines and measures aimed at:

- reducing the direct and indirect environmental impact of its activities;
- promoting sustainable finance in support of customers' ecological transition;
- aligning the Group's strategy with climate change mitigation objectives;
- developing products and services that are also consistent with the Sustainable Development Goals and the Paris Agreement.

In the social and governance spheres, the document identifies criteria and guidelines aimed at:

- promoting social inclusion, enhancing diversity and protecting people,
- strengthening and safeguarding relationships with customers, suppliers and local communities;
- ensuring ethical and responsible corporate conduct by combating corruption and money laundering.

The Group monitors the effectiveness and adequacy of the Directive and provides for its updating at least every three years or, in the event of significant changes in the internal and external context, more frequently.

The Directive constitutes the internal regulatory reference for the implementation of the Group's sustainability policies, in line with the main European regulations and the international voluntary initiatives to which the Group has adhered, and is further detailed in the internal regulatory documents drawn up by the Bank.

The Directive is subject to approval by the Board of Directors, following the opinion of the Risks and Sustainability Board Committee and the Executive Committee – ESG Session.

Montepaschi Group Code of Ethics (X) [ESRS E1 – E5 – S1 – S2 – S3 – S4 – G1]

<https://www.gruppomps.it/static/upload/cod/codice-etico.pdf>

The Group Code of Ethics represents the organisation's foundational value and behavioural framework, guiding the Group's action towards a sustainable, responsible and inclusive development model. It defines the guiding principles, rules of conduct and ethical standards that inspire internal and external relations, contributing to long-term value creation for all stakeholders.

The main objective of the Code is to promote a corporate culture based on responsibility, sustainability and respect, in line with the expectations of civil society and European ESG reporting standards.

In this context, the Document sets out the Group's commitment in environmental, social and governance matters, guiding corporate behaviour and decisions with a view to:

- protecting the environment by reducing the environmental impacts of its activities, promoting sustainable products and services and supporting customers' ecological transition;
- ensuring responsible human resources management, in compliance with human rights and the principles of equal opportunities, fairness and inclusion, as well as shaping relations with stakeholders in accordance with principles of transparency, fairness and inclusion, while supporting local communities;
- promoting a corporate culture based on transparency, responsible risk management, combating corruption and money laundering and the proper management of conflicts of interest, also for the purpose of preventing offences under Legislative Decree 231/2001, by providing specific internal reporting systems aimed at ensuring legality, transparency and the protection of whistleblowers.

The objectives of the Code of Ethics are:

- Define standards of “good conduct” for corporate policies and procedures;
- inform employees of the behaviour required of them;
- contribute to the implementation of the Group's sustainability policies;
- Help align the Group's objectives with the interests of civil society.

The values underpinning the Group are defined in the Code of Ethics: identity and history, ethics and transparency, diversity and inclusion, listening, tradition and innovation, well-being.

The principles of the Code of Ethics apply to all employees, collaborators, directors and partners of the Group, without exclusion and without distinctions related to the geographical area concerned and the value chain. These principles guide the behaviour required in the performance of their respective activities and contribute to the implementation of the Group's sustainability policies, assigning to top corporate bodies responsibility for integrating ESG objectives into corporate strategy, the internal control system and remuneration policies. The application and implementation of the Code by Group companies is ensured through the internal control system.

In defining and implementing these principles, the Group is committed to complying with external codes and agreements, including international agreements, self-regulatory codes, sector-specific codes of conduct, the United Nations Global Compact, the Universal Declaration of Human Rights, the United Nations Environment Programme – UNEP FI, and the Principles for Responsible Banking – UNEP FI.

The Code of Ethics is available on the Group's institutional website in the Corporate Governance section.

Group Directive on the Management of Internal Reporting Systems for Violations (X) [ESRS S1 – S2 – S4 – G1] Whistleblowing - Banca MPS

Through the Directive on the Management of Internal Reporting Systems for Violations, the Group governs the organisational, operational and governance model adopted for the management of reports of negligent, unlawful, irregular or improper conduct, ensuring transparency, integrity and protection of the persons involved.

In this context, the Directive is aimed at protecting people, promoting safe working environments and strengthening the culture of legality, thereby contributing to the prevention of reputational and regulatory risks, and in particular seeks to:

- define the organisational model (principles and responsibilities) for managing the whistleblowing system;
- manage, through the whistleblowing system, actual or potential "non-compliances", such as, among others, breaches of the principles of equal opportunities, fairness and inclusion set out in the Code of Ethics, breaches of rules governing banking activity and European Union law, unlawful conduct relevant under Legislative Decree No. 231/2001, or breaches of the Organisation, Management and Control Model as under 231/2001;
- ensure secure, confidential and independent channels for submitting reports;
- protect the reporting person and the reported person from discrimination or unfair treatment.

Reports may be submitted in writing through the dedicated IT platform (accessible from the corporate intranet and the internet), which ensures confidentiality, secure dialogue and activity tracking, and orally through a specific telephone service or a direct meeting with the Whistleblowing Officer, in accordance with Legislative Decree 24/2023.

The Directive applies to all personnel of the Parent Company and Group Companies, including employees, collaborators and equivalent persons.

The Document is drawn up in compliance with sector legislation, in particular:

- Directive 2013/36/EU;
- the transposition of those provisions into Italian law (Legislative Decree 72 of 12/5/2015 and Article 52-bis of the Consolidated Banking Act);
- the 11th and 34th updates to Bank of Italy Circular 285;
- Directive 2019/1937/EU, transposed into Italian law by Legislative Decree 24 of 10/03/2023.

Group Directive on the Management of Mandatory Compliance Obligations under Legislative Decree 231/2001 on administrative liability (X) [ESRS E1 – E5 – S1 – S2 – S3 – S4 – G1]

<https://www.gruppomps.it/static/upload/dir/direttiva-231.pdf>

The Directive defines the principles and methodological approach adopted by the Group for the implementation of the provisions of Legislative Decree 231/2001, through the identification of methodological and operational criteria aimed at the adoption and maintenance of the Organisation, Management and Control Models (231 Models) of Group companies.

The 231 Models of Group companies, based on the principles and methodological criteria defined in the Directive, consist of a structured and coherent system of organisational safeguards, procedures and control activities (preventive and ex post) aimed at reducing the risk of offences being committed through the identification of "sensitive" activities, namely activities within which offences relevant under Legislative Decree 231/2001 may be committed. In particular, the Directive:

- illustrates the relevant regulatory framework and the contents of Legislative Decree 231/2001, describing the regimes of entities' administrative liability and emphasising the role of the 231 Model as a tool for raising awareness and preventing offences;
- governs the Organisation, Management and Control Model adopted by the Bank, identifying principles, organisational rules and control safeguards aimed at preventing the commission of offences relevant under the Decree and ensuring corporate management based on legality, fairness and transparency;
- defines Group Guidelines establishing methodological criteria, requirements and rules of conduct which all Group companies must observe in defining their own organisational models, providing for specific coordination, updating and supervisory activities by the Parent Company.

Consistent with the organisational structure, control safeguards and monitoring mechanisms described, the 231 Model is geared towards achieving specific objectives of prevention, control and dissemination of a culture of legality, which the Group pursues through the adoption and implementation of the Model. In particular, the Model pursues the following objectives:

- disseminating a culture of legality and business ethics at all organisational levels through information, awareness-raising and training activities, making people aware of the liability and penalties provided for in the event of unlawful conduct.
This objective is also pursued through the integration of the Model with the relevant corporate policies, the implementation of mandatory training plans for staff and the delivery of 231 documentation to new hires and collaborators when the relationship is established;
- ensuring conduct based on fairness and regulatory compliance, strengthening monitoring and oversight mechanisms and providing for a disciplinary and sanctions system proportionate to the seriousness of the breaches and the status of the recipient.
- preventing the risk of predicate offences being committed in the interest or to the advantage of the entity through a structured system of controls (preventive and ex post), suitable to enable a timely response in the event of breaches or attempted unlawful conduct. In this context, the Model safeguards the effectiveness of reporting channels for violations, ensuring the confidentiality of reporting persons;
- constituting a possible exemption from the entity's administrative liability, allowing it to benefit from the exemption from administrative liability provided for by Legislative Decree 231/2001 where predicate offences are committed by senior persons or persons subject to their direction.

Lastly, a structured risk self-assessment and continuous Model updating process is provided for, involving process owners and senior persons and activated in response to regulatory, organisational and operational developments. The Model and the related control protocols are updated continuously whenever material factors arise, such as the introduction of new categories of offence or changes to the organisational structure.

The Directive applies to all Group personnel and, within their respective remits, also to third parties (such as financial advisors, suppliers and external service providers), for whom specific contractual clauses or declarations of acknowledgement and adherence to the principles of the Code of Ethics and 231 Model are provided. Montepaschi Group companies implement the Directive by tailoring its contents in line with their own organisational, size and operational characteristics.

The Directive is available on the Group's institutional website in the Corporate Governance section.

Group Directive on the Management of Complaints, Appeals to the ABF, ACF and AAS, and Reports (X) [ESRS S4]
https://www.gruppo.mps.it/ap_trasparenzaweb/Documenti%5C103054172.pdf

Through the Group Directive on the management of complaints, appeals to the ABF, the ACF and the AAS, and reports, the Group defines the organisational model adopted consistently with the external regulatory framework and with the objective of strengthening customer protection and the quality of the services offered.

The Policy is aimed at ensuring timely, clear, complete and exhaustive responses to customers, as well as preventing and reducing disputes. In cases where the dispute is not immediately resolved, the Policy governs a preliminary investigation phase aimed at clarifying the positions of the parties with a view to any continuation of the dispute in other forums. The Policy also makes it possible to acquire information on corporate operations and to identify any critical issues and areas for improvement in internal processes.

The management process provides for the receipt and recording of reports through a dedicated IT platform, the conduct of the investigation with the involvement of the competent functions (including Legal, Compliance, DPO and Human Resources), as well as the adoption of the decision and communication of the outcome to customers within the prescribed regulatory time limits (60 days for banking and financial services, 45 days for insurance intermediation and 15 days for payment services). The process also includes the management of appeals before the ABF, the ACF and the AAS, through the submission of observations and the required documentation within the established deadlines, as well as the management of reports, ensuring clear and timely responses both to customers and to the competent Authorities.

The Directive is currently addressed to Banca MPS, Widiba and MPS Fiduciaria.

The Policy is drafted in compliance with the main relevant external legislative and regulatory references (e.g. TUB, Bank of Italy provisions, relevant Consob resolutions) and is available at the link "Complaints and Appeals" within the Sustainability section of the Group's institutional website.

Rules for the Prevention of Corruption in the Group (X-Section "Corporate Governance") [ESRS G1]
<https://www.gruppomps.it/static/upload/reg/regole-per-la-prevenzione-alla-corruzione.pdf>

Through the Rules for the Prevention of Corruption in the Group, the Group defines the regulatory and operational framework adopted for preventing corruption risk, in compliance with Legislative Decree 231/2001 and the main international standards.

The Document is aimed at strengthening ethical governance and operational transparency, governing the principles and rules of conduct which Group personnel are required to observe in order to prevent potential acts of corruption, understood as any conduct aimed at obtaining undue advantages attributable, inter alia, to public and private corruption, trading in illicit influence and incitement.

The document applies to all Group companies, in Italy and abroad, and is addressed to personnel, as well as to all those acting in the name and/or on behalf of the individual Group companies, including employees, external consultants, corporate bodies and suppliers. The Anti-Corruption Rules form an integral part of the 231 Model of Group companies.

Specific responsibilities are assigned to the various organisational safeguards: employees and collaborators are required to report suspicious conduct through the Whistleblowing channels; top corporate bodies are responsible for approving the Document and supervising its implementation; the Compliance Function is entrusted with regulatory oversight, as well as training and advisory activities; the Internal Audit Function is assigned third-level controls and the review of reports received.

The control activities aimed at mitigating the risks of corruption and/or ascertaining any non-compliant conduct in this regard, are delegated to the Corporate Control Functions, defined within the Internal Control System.

The Group is committed to combating all forms of corruption, in line with the principles of the United Nations Global Compact Programme and the UNEP Principles for Responsible Banking, and in consistent implementation of its Code of Ethics. To this end, it undertakes to comply with the relevant national and international regulations, including the Italian Penal Code and Civil Code, specific laws and decrees on anti-corruption, as well as conventions and recommendations of international bodies such as the OECD, UN, G20, Transparency International and the Wolfsberg Group.

The Document is available on the Group's institutional website in the Corporate Governance section.

Group Policy on Combating Money Laundering and Terrorist Financing (X) [ESRS G1]
<https://www.gruppompis.it/static/upload/aml/aml-policy-ita.pdf>

Through the Policy and Directive on Combating Money Laundering and Terrorist Financing, the Group defines the regulatory, operational and organisational framework adopted to prevent and combat money laundering, terrorist financing and breaches of restrictive measures, in compliance with national, EU and international regulations.

The “Policy on Combating Money Laundering and Terrorist Financing” adopted by the Bank reflects its commitment to fight criminal phenomena on an international basis, devoting particular attention to the tools to use in this fight, in the knowledge that the pursuit of profitability and efficiency must be combined with the continuous and effective monitoring of the integrity of corporate structures.

The Policy provides for the Group's commitment to act in compliance with the national and EU regulatory framework in the matter, as well as with the implementing provisions issued from time to time by the Bank of Italy concerning customer due diligence, retention of data and information, organisation, procedures and internal controls, enhanced controls against the financing of programmes for the proliferation of weapons of mass destruction and the breach of restrictive measures. It is firmly committed to ensuring that the operating organisation and the control system are complete, adequate, functional and reliable for strategic supervision, in order to preserve the Group from conduct of tolerance or complicity towards forms of illegality that may damage its reputation and undermine its stability.

The customer due diligence measures adopted do not, however, determine a priori the preclusion/refusal of access to financial services by customers or entire categories of high-risk customers who would be entitled to them under the legislation in force, save for the cases expressly provided for by Legislative Decree 231/07 relating to the prohibition on entering into relationships with certain types of persons.

The Policy is reviewed at least annually, with its text prepared for approval by the Board of Directors on the proposal of the Chief Executive Officer.

Any amendments to the Policy approved by the Parent Company's Board of Directors are subsequently transmitted to subsidiaries/foreign branches for their adoption by resolution of their own top corporate bodies, in line with their own characteristics and size and with appropriate adjustment of responsibilities, processes and internal rules.

The Directive defines the organisational model adopted by the Group (principles, roles and responsibilities) to ensure compliance with Anti-Money Laundering and Counter-Terrorist Financing legislation, implementing the provisions set out in the “Provisions on organisation, procedures and internal controls for anti-money laundering purposes” issued on 26 March 2019, as subsequently amended, and, as regards Restrictive Measures, implementing the provisions of the “European Banking Authority Guidelines on internal policies, procedures and controls to ensure the implementation of Union and national restrictive measures” (EBA/GL/2024/14), with which the Bank of Italy declared compliance by Notice No. 48 of 8 April 2025.

Group Directive on Communication and External Affairs [ESRS S3]

Through the Directive on Communication and External Affairs, the Group governs the organisational and operational model for managing external and internal communication, with the aim of ensuring consistency, transparency and reputational oversight, in line with ESG principles and sector regulations.

The Directive defines guidelines and responsibilities for the governance of external communication through the Strategic Communication Plan, which details the activities of media relations and social media communication, advertising and corporate image, events, and sponsorship, developing themes and methods of intervention. In particular, the Plan deals with external communication initiatives aimed at enhancing the Group's image (e.g. to give adequate visibility to events with territorial resonance, inaugurations, initiatives in support of local communities and/or on the occasion of special circumstances) for which specific authorisation procedures are envisaged.

The Directive applies following formal adoption by the administrative bodies and constitutes the Group's guiding document for defining individual initiatives in the various areas.

The Directive has been updated to ensure greater compliance with the regulatory and legislative provisions in force under Legislative Decree 39 of 27/01/2010, followed by ABI Circular No. 15 of 25/06/2010 on statutory auditing of accounts, and is also fully aligned with Bank of Italy Circular 285/2013, having assigned to the Board of Directors supervision of the process of information and communication to the public.

Management of the Historical Archive [ESRS S3]

Through the Management of the Historical Archive, the Group governs the process of selecting, preserving and transferring historical documentation with the aim of safeguarding the corporate documentary and cultural heritage, ensuring its proper management, accessibility and enhancement.

With the aim of promoting cultural sustainability and enhancing the Group's historical memory, as well as contributing to social sustainability and institutional transparency, the Document governs in detail the obligations relating to:

- selection of documents of historical interest;
- archiving of these documents in the repository;
- transfer to the historical archive, at the end of preservation in the repository.

The Document provides for application to the structures of the General Management.

The Archives are subject to supervision by the Archival Superintendency for Tuscany, with whose cooperation the Maximum Preservation Schedule of the documentation produced by the Bank Siena was prepared, approved by the Bank's Board of Directors and the competent Ministry. The Historical Heritage function governs the Historical Archive and the supply of documents of historical interest identified by the Maximum Preservation Schedule.

The Document applies only to the Parent Company.

The Document is structured in compliance with the Code of Cultural Heritage and Landscape (Legislative Decree 42/2004) and also lays down rules to prevent an entity from being held liable, under Legislative Decree 231/2001, for offences against cultural heritage introduced by Law 22/2022, such as the laundering or looting of cultural property.

Artistic Heritage Management [ESRS S3]

Through Artistic Heritage Management, the Group governs the system for the governance, protection, enhancement and operational management of the Parent Company's movable artistic heritage, in compliance with the Code of Cultural Heritage and Landscape and national and EU legislation on cultural property. Artistic heritage is regarded as a strategic, cultural and reputational asset, and its management is integrated into the Group's ESG processes.

This document regulates in detail the fulfilments inherent to the Management of the Bank's Artistic Heritage, understood for the purposes of this document with limited and exclusive reference only to movable assets that, according to the definition of Article 10, paragraph 3, letter a) of Legislative Decree 42/2004, are of particularly important artistic, historical, archaeological or ethno-anthropological interest. The methods for cataloguing and inventorying, conservation and protection, regulated movement, transparency and traceability are described.

In compliance with the regulations in force, the Historical and Artistic Heritage function is in charge of cataloguing, preserving, enhancing and protecting the Bank's artistic heritage.

The Document applies only to the Parent Company.

The Document is structured consistently with the Italian Constitution and Legislative Decree No. 42 of 22 January 2004, "Code of Cultural Heritage and Landscape" (hereinafter Legislative Decree 42/2004), and its integration within compliance, anti-corruption and administrative liability policies pursuant to Legislative Decree 231/2001 is provided for.

In implementation of the '231 Model', in order to safeguard the Group's administrative liability, all those involved in the management of Artistic Heritage must comply with the requirements laid down by corporate regulations and operate at all times in compliance with all regulations concerning the protection of artistic and cultural heritage. The internal Directive is intended to safeguard, enhance and protect artistic and cultural heritage in order to ensure its conservation and prevent it from being destroyed, deteriorated or damaged.

Management of Sponsorships and Fundraising [ESRS S3]

Through the Management of Sponsorships and Fundraising, the Group defines the regulatory and operational framework adopted in line with the principles of social responsibility, transparency and enhancement of the local area. Activities are governed by structured processes that ensure consistency with ESG objectives and regulatory compliance.

The Document is intended to govern in detail the regulation of commercial and institutional sponsorships and the management of fundraising initiatives for ethical and charitable purposes, with the aim of promoting social sustainability and the involvement of local communities.

The Document applies to the entire Group, with the exception of Widiba, which adopts autonomous management in this area.

The Document distinguishes two types of sponsorship, commercial and institutional:

- commercial sponsorships require validation by the competent Business Function per market and are subject to a prior and final verification process to appreciate their actual commercial and visibility results;
- Institutional sponsorships are visibility and prestige initiatives, directly overseen by top management.

The document is drafted in line with the main regulations and practices in force.

Group Directive on Expenditure and Supplier Management [ESRS S2]

Through Directive on Expenditure and Supplier Management, the Group defines the organisational model for Accounts Payable, governing spend management and supplier relationships.

The Policy is aimed at ensuring efficiency, transparency and regulatory compliance in procurement processes, reducing operating, reputational and sanction-related risks. It also aims to strengthen internal controls and the traceability of decisions, to prevent fraud and mafia infiltration, and to promote the selection of suppliers meeting environmental requirements, thereby contributing to the reduction of indirect impacts through sustainable procurement criteria.

The scope includes operating costs, administrative expenses and strategic investments, applying to all Group companies.

The model is based on principles of cost containment for an equivalent level of service, competitive supplier selection, compliance with regulations and prevention of unlawful risks. The framework governs spend management throughout the entire operating cycle and supplier management, including qualification, negotiation, Framework Agreements, SLAs and quality monitoring, with appropriate control safeguards over the legitimacy and appropriateness of transactions.

The Directive provides for interconnections and, in particular, integration with strategic planning processes, management control, regulatory compliance (Legislative Decree 231/2001, anti-mafia rules) and outsourcing policies.

The Parent Company defines operational rules and criteria and oversees Accounts Payable and the Supplier Register. The Purchasing Function plays a central role in strategic negotiations and supplier qualification, Cost Governance validates expenditure, while the Spending Centres handle operational management. Top corporate bodies, the Board of Directors and the Chief Executive Officer intervene in accordance with delegated powers and for material expenditure.

Commercial practices

Below are the Group Policies that define the reference framework and safeguards aimed at managing the impacts, risks and opportunities related to the Group's commercial practices, identified as material in the Double Materiality analysis.

Group Policy on Commercial Policies [ESRS S4]

Through the Policy on Commercial Policies, the Group defines the strategic and operational model focused on customer centrality, service quality and consistency with ethical and regulatory values. The Document integrates strategic and operational marketing levers with commercial execution, promoting a responsible, inclusive and sustainable approach in customer relationships.

The Policy is aimed at defining the methodologies, models and corporate rules adopted by the Group on Commercial Policies on the set of elements characterising the relationship between the Group and its Customers. The Policy includes and governs, in an integrated manner:

- service models, which define customer segmentation, the relationship approach and commercial responsibilities;
- strategic marketing, focused on defining annual objectives, competitive positioning and the product plan;
- operational marketing, focused on the implementation of periodic initiatives, pricing policies, promotional activities and communications;
- operational execution, which ensures the concrete implementation of commercial strategies through campaigns, events, local initiatives and partnerships.

The overall purpose of these areas is to ensure consistency, effectiveness and customer centrality throughout the commercial process.

The Policy is addressed to the Parent Company and the Group companies currently involved in the Commercial Policies (Widiba, MPS Fiduciaria, Montepaschi Banque).

The Commercial Policies comply with the requirements of external regulations on investment and banking services and the related rules of conduct towards customers (e.g., EU Regulation 2016/679 - GDPR; MiFID II 2014/65, etc.)

Group Policy on Products (X) [ESRS S4] <https://www.gruppomps.it/static/upload/sin/sintesi-policy-di-gruppo-in-materia-di-prodotti.pdf>

Through the Group Policy on Products, the Group defines the regulatory and methodological framework for the design, acquisition, development and control of banking, financial, insurance and pension products intended both for customers and proprietary portfolios. The Document ensures that each product complies with regulatory requirements, is consistent with the commercial strategy and is sustainable from an operational, informational and risk perspective.

The Policy is based on customer centrality, ensured by needs analysis, correct MiFID profiling and attention to vulnerable customer segments. It aims to ensure oversight of the target market and the suitability of banking, financial and insurance products, as well as ex ante assessment of product sustainability in terms of risks, commercial effectiveness, IT impacts and regulatory compliance, with validation by the competent functions and approval by the authorised corporate bodies.

The Document is addressed to the Parent Company and all Group Companies and applies to all products offered or managed by it. It is necessary to integrate the Policy into the Commercial Marketing Plan and customer intelligence analyses.

The Policy is validated by the Board of Directors, which is also involved in approving innovative products, products of strategic significance/relevant risk and in assessments for which the Control Functions consider it necessary to carry out a risk assessment to be submitted to the opinion of the Risk Management Committee and the Board Risks and Sustainability Committee. In addition, proposals that have received a negative opinion from the Risk Control Function, or from the Risk Management Committee, may nevertheless be submitted for approval, and in this case must be approved by the Board of Directors following their discussion by the Risks and Sustainability Committee. Products must meet sustainability requirements for the Group in terms of risk profiles, commercial effectiveness, tools and functionalities, processes, impacts on the information system, and compliance with internal and external regulations; accordingly, each product must, before being placed on the market, be subject to a validation process by all necessary Functions, including the Control Functions, and to subsequent approval by a formally authorised role.

The Policy is drafted in compliance with the legislation in force on transparency of banking and financial transactions and services and with the European Banking Authority Guidelines on product governance and control arrangements for banking products. As regards insurance-based investment products, the Policy is consistent with Directive (EU) 2016/97 (IDD) and Regulation (EU) 2017/2358.

Rules on investment services: mapping and identification for ESG purposes of financial products [ESRS S4]

Through the rules on investment services, the Group defines the system of rules and criteria adopted to ensure transparency, consistency and responsibility in the advice and distribution of investment instruments, in line with the European SFDR and MiFID II regulations.

The Document, approved by the Wealth Management Function, with the aim of promoting sustainable, transparent and responsible investments, defines the rules and criteria for verifying the correct ESG qualification associated with financial products under placement, in order to prevent and mitigate the risk of greenwashing for products included within the scope of analysis. In this context, the adopted model is divided into the following stages:

- ESG classification of products (securities, funds, policies and portfolio management) according to environmental, social and governance criteria, sustainability thresholds and benchmarks;
- assignment of an ESG rating from 1 to 5, based on sustainability scores provided by external infoproviders;
- product sustainability classification, by verification through the information contained in the EET file of activities aligned with the EU Taxonomy (point (a)) or defined as sustainable under the SFDR Regulation (point

(b)), or by assessing any management of the principal adverse effects of investment decisions on sustainability factors (point (c)).

Certain rules and safeguards have been introduced into the processes to verify that Producers comply with the requirements of the ESMA guidelines on fund naming in order to qualify each financial product in the Bank's catalogue as ESG, with a view to managing and avoiding the so-called phenomenon of "greenwashing".

The Document is currently intended for the Parent Company and Widiba. The Product Function is responsible for periodic reporting to the Investments and Product Steering Committee (investment session), and the Document is drawn up in compliance with Regulation (EU) 2019/2088, as supplemented by Regulation 1288/2022.

Group Directive on Governance and Control of Customer Banking Products [ESRS S4]

Through the Group Directive on governance and control of customer banking products, the Group defines the governance and control model for banking products and ancillary services intended for the Group's customers, with the aim of ensuring transparency, regulatory compliance, customer protection and risk management throughout the product life cycle (design, development, monitoring, amendment and delisting). The scope includes banking products (accounts, deposits, loans and payment instruments), ancillary services and related activities, including those intended for retail customers.

The process describes the activities to be carried out across the various stages:

1. design/acquisition, including identification of the Potential Target Market, in order to limit the risk that banking products are not consistent with the characteristics, needs and objectives of the customers for whom they are intended;
2. preliminary assessment of the risks in which the Control functions and the Legal function assess product compliance and its risks for the Bank, as well as identifying possible mitigation actions to be taken into account during its implementation;
3. product Implementation, validation and approval;
4. product monitoring, which covers all activities to the product's various aspects across its life cycle;
5. product delisting, setting out the procedures for purging products from the Catalogue.

The preliminary risk assessment phase in the event of the design of innovative products or products of strategic significance/relevant risk provides for a specific risk assessment in order to evaluate their impact on the RAF, and also requires the approval of the Risk Management Committee.

With reference to climate and environmental sustainability, the Directive is aimed at defining the general criteria, guidelines and measures aimed at the assessment of products consistent with ESG and sustainability policies. In the social area, the document identifies criteria and guidelines aimed at protecting retail customers, reducing mis-selling risks and promoting financial inclusion. In the governance area, on the other hand, it defines criteria for strengthening internal controls and preventing reputational and legal risks.

The Document is currently intended for the Bank and the following Group companies: Widiba and Monte Paschi Banque. The Board of Directors of the Parent Company and of each Group Company approves or disapproves proposals to develop new products or changes to existing products intended for its customers, which must be brought to its attention based on the criteria defined in the Group Product Policy (e.g. strategically significant and/or risk-relevant products and/or products for which a risk assessment is deemed necessary and submitted to the Risk Management Committee for its opinion). The Investment and Product Steering Committee annually approves the plan for product development and evolution. Any unforeseen new products require approval for marketing.

For retail banking products, the Directive takes into account the Guidelines on Governance and Control Arrangements for Retail Banking Products and Internal Governance of the European Banking Authority (EBA).

Group Directive on Governance and Control of Customer Financial Products [ESRS S4]

Through the Group Directive on governance and control of customer financial products, the Group defines the organisational model adopted in compliance with MiFID II legislation and ESMA guidelines. The Document ensures protection of customers' interests throughout the product life cycle, promoting transparency, accountability and consistency with ESG principles, and is further detailed in the documents "Governance and Control of Financial Products:

Target Market and Sustainability D. 2335" and "Governance and Control of Financial Products – Efficient Product Lists D. 2424".

The Document is intended to integrate ESG criteria into the assessment and distribution of products, governing the entire product life cycle (design, risk assessment, implementation, validation and approval, distribution, monitoring, review and delisting) and including complex and insurance products, with the exclusion of products intended for eligible counterparties and Capital Markets services.

The Directive is currently intended for the Bank and Widiba. This applies to all financial products/services intended for customers issued/established after 3 January 2018 and to all financial products/services issued/established before 3 January 2018 that are still distributable after that date. The following are outside the scope of this Directive: (i) Capital Markets products/services and (ii) products intended exclusively for "Eligible Counterparties" for MiFID purposes and "Financial Counterparties" for EMIR purposes

The Investment and Product Steering Committee approves annually the plan for product development and evolution, and any unforeseen new products require approval for marketing.

The Directive is drawn up consistently with Product Governance, provided for by Directive 2014/65/EU (MiFID II), as supplemented by Commission Delegated Directive (EU) 2017/593, and is aligned with EU Regulations 2019/2088 and 1288/2022 and ESMA guidelines.

Group Directive on the Distribution of Insurance Protection Products and Supplementary Pension Schemes [ESRS S4]

Through the Directive on the Distribution of Insurance Protection Products and Supplementary Pension Schemes, the Group defines the governance and control safeguards for those products, placing primary emphasis on customer protection, the quality of the pension and insurance offering, and the sustainability of distribution processes.

The document is aimed at promoting the offering of responsible, transparent and sustainable products, governing Product Oversight and Governance (POG) safeguards and ensuring that distributed products are consistent with the needs of the target market and comply with the principles of transparency, fairness and sustainability.

The Directive is based on a set of guiding principles aimed at ensuring effective product governance (POG), which oversees the entire product life cycle, from the design and validation stage through to distribution and ongoing monitoring. In this context, particular importance is attached to the correct identification of the target market, both in positive and negative terms, ensuring that products are consistent with customers' needs, characteristics and objectives. The distribution strategy is defined in a structured and documented manner and is proportionate to the complexity and risk profiles of the products offered. In support of these safeguards, an adequate level of training and qualification is provided for staff involved in placement, including IVASS certification where required, in order to ensure competence, fairness and customer protection.

The structure of the system defines roles and responsibilities among the Parent Company, Group Companies, top corporate bodies and corporate Functions, ensuring effective oversight through multi-level controls involving Compliance, Risk Management, Internal Audit and complaints monitoring.

The Directive is currently intended for the Parent Company and Banca Widiba. The Directive applies to non-life and life protection insurance policies other than insurance investment products and to newly issued supplementary pension schemes distributed by the Bank, or existing ones if they are substantially modified. The Directive does not apply to insurance products that consist of insurance of large risks.

The Document is prepared consistently with Directive (EU) 2016/97 (IDD), Commission Delegated Regulation No. 2358 of 21 September 2017 on Product Oversight and Governance, as amended by Delegated Regulation (EU) 2021/1257, as well as IVASS Regulation No. 45, and is overall aligned with the provisions of the competent supervisory authorities, including IVASS, COVIP and EIOPA, and the relevant European Union Regulations.

Group Directive on the Management of Mandatory Compliance Obligations concerning Banking Transparency [ESRS S4]

The Directive governs the organisational and operational model for the management of mandatory compliance obligations concerning banking transparency, with the aim of ensuring fairness, clarity and comparability of the information provided to customers and preventing legal and reputational risks, thereby fostering relationships based on good faith and fairness.

The Directive sets out the principles underlying Banking Transparency, including:

- Simplification and clarity of contractual and disclosure documentation;
- Substantive fairness in the offering and marketing of products;
- *Target Market*: procedures to ensure consistency between customer profile and product;
- Ongoing staff training on regulations and internal procedures;
- Control safeguards: ongoing monitoring, complaints management, dispute prevention;
- Centralised process: coordination by the Parent Company to ensure uniformity and compliance.

The Parent Company's Board of Directors defines strategies and guidelines, approves procedures and receives quarterly reporting, supported by the Risks and Sustainability Committee in assessing the model and risks, while the Board of Statutory Auditors monitors compliance with regulations. Operational functions oversee the processes: Compliance manages second-level regulatory controls, Risk Management monitors operating and reputational risks and defines KRIs, and Internal Audit carries out audits of the process.

The First-Level Controls Function coordinates the Banking Transparency Technical Committee and manages control execution and quarterly reporting; the Product Function prepares product documentation and customer communications, with support from the Legal Function for contracts.

Lastly, the Training Function promotes a culture of transparency, while the Market and Distribution Function ensures compliance with placement prohibitions and assists customers.

The scope of implementation covers all stages of the customer relationship (pre-contractual, contractual and post-contractual) and applies to Group Companies supervised by the Bank of Italy.

The Directive complies with the national and European regulatory provisions related to the matter (TUB, Insurance Code, Consumer Code).

Customer Voice listening activities (internal/external) [S4 – G1]

Through the Customer Voice listening activities, the Group defines the operating procedures for the design, execution and analysis of surveys aimed at customers, prospects and Group employees. The objective is to measure satisfaction, needs and behaviour, steering improvement actions (e.g., NPS) and customer advocacy initiatives.

The operational cycle "listen–analyse–act" is divided into four main phases:

- Needs collection and planning;
- Preparation and execution;
- Survey monitoring;
- Management of follow-ups and Close the Loop (CTL) in compliance with the consent expressed.

Surveys are aimed at target customer groups and are administered through CATI (Computer Assisted Telephone Interviewing) or CAWI (Computer Assisted Web Interviewing). Responsibility for the process is assigned to the Survey Manager (CRM).

The process is included in the Group Taxonomy, in the "Customer satisfaction oversight" area, and is managed consistently with both surveys for commercial purposes and those required by Authorities or by external regulations adopted internally. Excluded are internal post-event surveys and climate surveys, which are managed by Internal Communication.

Protection of personal data and IT security

Below are the Group Policies that define the reference framework and safeguards aimed at managing the impacts, risks and opportunities related to the protection of personal data and the Group's IT security, identified as material in the Double Materiality analysis.

Group Directive on data protection compliance management [ESRS S1 – S4]

Through the Directive on personal data protection, the Group defines the organisational model adopted (principles and responsibilities) for the personal data protection process, in compliance with EU Regulation 2016/679 (GDPR) and national legislation. The Document governs roles, responsibilities, processes and controls to ensure data processing that is compliant, secure and respectful of data subjects' rights.

The Document describes the reference framework adopted by the Group with regard to privacy protection, aimed at mitigating reputational and legal risks related to the protection of personal data and, at the same time, strengthening stakeholders' trust. To this end, the Policy governs:

- the operational and control oversight of privacy matters, aimed at ensuring: (i) compliance with data protection principles from the project design or technology use stage; (ii) respect for the rights exercised by data subjects; (iii) the implementation of the Records of processing activities; (iv) the management of data breach events.
- the definition of roles, responsibilities and information flows concerning personal data protection;
- the planning, monitoring and reporting of activities and controls carried out;
- training and awareness-raising of employees on issues related to the protection of personal data.

The Directive applies to all Group companies, subject to formal adoption by the top corporate bodies.

For the purposes of compliance concerning personal data protection, the Bank complies with the following rules: EU Regulation 2016/679 (GDPR); Legislative Decree 196/2003 (Privacy Code) as subsequently amended by Legislative Decree 101/2018; Guidelines, measures and other pronouncements of the Italian Data Protection Authority and the EDPB, as well as other general regulations with an impact on the protection of personal data.

The Directive has been approved by the Board of Directors, which is responsible for the overall supervision of the data protection compliance management system, policies and process and provides strategic guidance on the matter and issues the necessary instructions for its implementation across all business lines.

The key contents of the Directive are available in the "Privacy Policy" Document <https://www.mps.it/static/upload/pol/policy-privacy.pdf> in the Sustainability section of the Group's institutional website.

Group Directive on Logical Security Governance (X) [ESRS S1 – S4 – G1]

<https://www.gruppomps.it/static/upload/pol/politica-di-banca-mps-per-il-governo-della-sicurezza-logica.pdf>

Through the Directive on Logical Security Governance, the Group defines the organisational model adopted by the Group, the principles and responsibilities for the "Logical Security Governance" Process, with the aim of protecting the corporate information assets through the "Information Security Management System" (ISMS), adopted at Group level and intended to provide a general and strategic medium- to long-term direction.

The Directive is aimed at strengthening cyber security and information resilience and seeks to protect corporate information and customer data, while also ensuring alignment with the Digital Operational Resilience Strategy and the Risk Appetite Framework. Further details are set out in the Logical Security Governance Document: Information Classification and Protection.

In this context, the Directive provides for the adoption of a coordinated set of controls and measures, including:

- the implementation of an Information Security Management System (ISMS) structured in accordance with a continuous improvement cycle (Plan-Do-Check-Act) integrated into business processes;
- the adoption of a multi-level security approach covering logical, physical, environmental, operational, communications and third-party aspects;
- the promotion of training and awareness through annual programmes aimed at employees, third parties and key roles;
- the definition of structured incident management and business continuity models, including response, escalation, disaster recovery and business continuity mechanisms.

The Directive is addressed to the Parent Company and all Group Companies, with the option of centralised or autonomous management.

The Group Companies implement the Directive by resolution of their Top Management by adapting responsibilities, processes and internal rules, in line with their own characteristics and size; the governance of the Group's logical security is centralised within the Parent Company's Information Security function, and implementation of the Directive is directed and carried out by the Information Security and Information Technology functions.

The Directive regulates how the ISMS is managed in accordance with internal and external reference standards (e.g. ISO/IEC 2700x (series)).

Group Directive on ICT Governance and Strategy Definition [ESRS S1 – S4 – G1]

Through the Directive on ICT Governance and Strategy Definition, the Group defines the organisational model, principles and responsibilities adopted for the governance of the information system and for the definition of ICT strategy, ensuring alignment between technological evolution, business objectives and regulatory requirements.

The Directive is intended to strengthen the internal control system and the responsibilities of the Top Bodies in relation to ICT governance, as well as to ensure the reliability and continuity of services supporting customers and staff. In this context, the Directive pursues, in particular, the following objectives:

- overseeing the ICT governance and strategic direction process at Group level;
- ensuring that the ICT strategy is consistent with the Industrial Plan and the Risk Appetite Framework;
- defining rules and responsibilities for the preparation, approval and monitoring of ICT strategic documents.

Close coordination with the decentralised ICT Functions of the Group Companies is envisaged in order to ensure harmonised governance. The transposition of the Directive must be notified to the corporate reporting structure of the individual company, the IT (Information Technology) function and the Organisation Area.

The Directive applies to the Bank and all Group companies, which implement the strategic guidelines by adapting them to their own organisational specificities.

The Directive is implemented in accordance with the provisions of Bank of Italy Circular 285/2013, which describes the governance and operation of information systems supporting the Bank.

Group Directive on ICT and Security Risk Management (X) [ESRS S1 – S4 – G1]

<https://www.gruppompis.it/static/upload/lin/linee-guida-per-la-gestione-del-rischio-ict-e-di-sicurezza.pdf>

Through ICT and Security Risk Management, the Group defines the methodological and organisational framework adopted for managing ICT and security risk. The Document supplements the regulatory provisions with a systemic and proactive approach to digital resilience, cyber security and the governance of technology risks.

The Document is intended to strengthen digital operational resilience and cyber security through:

- integrated management of ICT and security risk as a component of operating, reputational and strategic risks;
- application to all Group Banks, with implementation by the Top Management Bodies;
- alignment with the Risk Appetite Framework (RAF) and the digital operational resilience strategy.

The model is based on an advanced methodological risk management approach covering the phases of identification, analysis, assessment, treatment, acceptance and monitoring, supported by a structured taxonomy and multi-level analyses of ICT systems, projects, third-party services and outsourcing. The framework is completed by a clear definition of roles and responsibilities among the Top Bodies, business Functions and control structures.

The system is supported by an integrated regulatory framework comprising ICT, security and business continuity strategies and policies, structured operating processes for risk analysis and review, gap management and management reporting, as well as continuous monitoring based on risk indicators, incidents, security posture and resilience testing.

The Document complies with Bank of Italy Circular 285/2013 and EU Regulation 2022/2554 (DORA).

Group Directive on Incident Management [ESRS S1 – S4 – G1]

The Directive defines the organisational model adopted by the Group (principles and responsibilities) in the field of Incident Management, in compliance with the applicable national and international regulations and international best practices.

The objective is to restore operational continuity rapidly, minimise impacts on the business and customers, ensure data security and ensure regulatory compliance, including the management of reports to the competent Authorities. The Directive is therefore intended to safeguard customers' rights and protect personal data, as well as to strengthen security safeguards and internal controls.

The Directive provides for interconnections and, in particular, integration with ICT Risk Management, the Digital Operational Resilience Strategy, logical security policies and Business Continuity processes.

The Document complies with European regulations (DORA, PSD2, GDPR) and the supervisory provisions of the Bank of Italy.

Protection of people

Set out below are the Group Policies that define the reference framework and safeguards aimed at managing the impacts, risks and opportunities connected with the protection of people throughout the value chain, identified as material in the context of the Double Materiality analysis.

Group Directive on Human Resource Management [ESRS S1]

The Directive is intended to regulate and implement, in compliance with the regulations in force and the applicable collective and company bargaining agreements, the human resources management policies defined by the Group. For this purpose, in line with the relevant internal regulations, the document governs the identification of key roles in the area of human resources and the execution of listening-oriented management processes relating to the employment relationship, the collection and updating of information in the personnel information system and ongoing support to company structures, while also overseeing the cross-functional implementation of other HR processes. In this context, the Directive pursues, in particular, the following objectives:

- ensuring efficient and effective management of human resources, in line with the Group's organisational and business needs, optimising the performance of business processes and enhancing the professional skills in place;
- promoting the professional development of all staff, in line with individual aspirations and needs, as well as in compliance with the principles of inclusion and the commitments defined by the company in the Gender Equality Policy.

The Directive is currently intended for the Parent Company, Widiba and MPS Fiduciaria.

There are no direct references to third-party initiatives/standards in the policy.

Report on the remuneration policy and remuneration paid (X) [ESRS S1]

<https://gruppompms.it/static/upload/rel/relazione-sulla-remunerazione-bmps-2025-ita.pdf>

The Group Remuneration and Incentive Policy defines the principles and rules for the fair, transparent and sustainable management of remuneration policies, with the aim of promoting a responsible, merit-based remuneration culture inspired by the Group's sustainability principles.

The Group's remuneration policies are geared towards creating sustainable value over time, with the objective of motivating and retaining all staff, attracting external professionals and remaining fully consistent with risk governance policies. These guidelines are expressed in the following aims:

- achievement of short and long-term strategic objectives, strengthening the link between remuneration and performance through the application of remuneration mechanisms in line with the principles of sustainability
- implementation of clear and transparent governance mechanisms for all stakeholders;
- enhancement of merit and diversity, promoting staff growth in an inclusive context and from a gender-neutral perspective, increasing motivation and retention;
- attention to risk, through an appropriate balance between the fixed and variable components of remuneration (so-called Pay-Mix) so as to avoid encouraging short-term or risky behaviour, in compliance with the relevant legal and regulatory framework;
- reduction of the gender pay gap, with a concrete commitment to gender neutrality, internal equity and external competitiveness, thanks to constant benchmarking against market practices, in compliance with the applicable regulations;
- compliance with legal, regulatory and statutory provisions, and any codes of ethics or applicable conduct.

The Corporate Control Functions, within their respective areas of competence and in ways that ensure their independence, contribute to overseeing the remuneration and incentive policy. They are involved from the definition and planning stages in the preparation and any revision of remuneration policies, ensuring the necessary contribution to guarantee compliance with the applicable regulatory framework and proper functioning, and supporting the corporate

bodies in preparing the Remuneration Report approved annually by the Shareholders' Meeting (pursuant to Article 123-ter of the TUF, CRR and Bank of Italy Circular 285).

The 2025 Report on the remuneration policy and remuneration paid is addressed to the Parent Company and all Group Companies and is defined in line with the relevant national and European legal and regulatory framework, fulfilling the disclosure obligations laid down by Consob regulations and the Supervisory Provisions of the Bank of Italy.

Reskilling and Change Management Plans and Professional Development Pathways [ESRS S1]

The Documents define the Group's operating model for managing reskilling and change management plans and professional development pathways, aimed at reskilling and updating staff skills in line with the Group's strategic objectives and in accordance with the provisions of the CCNL and company bargaining agreements. These pathways combine operational experiential stages, with planned professional mobility across different positions, and training and development plans, in order to facilitate the acquisition of technical skills and strengthen the soft skills required by the target roles.

The Documents, approved by the competent Function, regulate the aforementioned plans and pathways in detail, describing all the activities that characterise their life cycle, from the definition of needs and the analysis of existing skills through to the monitoring of training initiatives and the assessment of the results achieved. These plans are intended to support business transformation processes by enhancing human capital, in integration with Human Resources development processes and professional training policies.

The plans are structured to analyse operating needs and the potential organisational impacts of training initiatives, in order to enhance the experience and skills already in place and to bridge any gaps in relation to new roles, including through personalised training and experiential pathways. Progress and monitoring of the process are ensured through a system of continuous skills verification based on assessment and evaluation tools, such as dedicated surveys.

The Documents are currently intended for the Parent Company and all Group Companies. The approving structure is the first-level function 'Professional Development, D&I and Training'.

There are no direct references to third-party initiatives/standards in the policy.

Industrial relations: Rules on Trade Unions and Leave [ESRS S1]

Through the Industrial Relations Document, the Group: through the Rules on Trade Unions and Leave, regulates the rules relating to trade union rights and the leave to which employees holding trade union positions are entitled.

The Document sets out the rules governing the establishment and operation of the R.S.A. and Coordination Bodies, as well as the management of paid and unpaid trade union leave, trade union secondments, ABI slips and the operating procedures for reporting and monitoring through the dedicated corporate systems (*DMTime* and *Paschi People*). In this context, the Document pursues the following objectives:

- ensuring the protection of trade union freedom;
- ensuring transparency in leave management;
- overseeing compliance with the applicable regulations;
- promoting a balance between workers' rights and the company's organisational and operational needs.

The Document, approved by the competent Function, currently applies to the Parent Company and Widiba.

The Document ensures correct application and consistency in relation to the relevant legislative and contractual provisions (Workers' Statute, CCNL, ABI agreements and company agreements).

Gender Equality Policy (X) [ESRS S1 – S4] <https://www.gruppompis.it/static/upload/pol/politica-parita-di-genere.pdf>

The Document defines commitments in terms of valuing diversity, inclusion, equity and parity that the Group aims to pursue in all phases of the business life of each person, in the organisational and operational aspects and in internal and external communication. These are reflected in the Guidelines and Processes adopted by the Human Resources Department.

The Policy is intended to define the principles and guidelines aimed at ensuring inclusive, fair and accessible working environments, in line with the Code of Ethics and the internal policies on sustainability and gender equality. In this context, the Document enshrines the Group's commitment to promoting the principles of:

- plurality, understood as richness of thought and attitude;
- inclusion, understood as openness to and respect for diversity;
- equity, understood as a guarantee of equal opportunities;
- active listening as a tool for understanding and innovation.

These values underpin the operational guidelines that the Document provides are to be applied in the main human resources management processes, including recruitment, training, management, development, assessment and termination of employment. The Policy also guides the corporate welfare system, incorporating these principles into policies on work-life balance, health, welfare, culture and leisure, while also promoting the use of inclusive language and communication and the spread of a working environment that respects diversity.

The Inclusion Rules are integrated with other support tools adopted by the Group to maintain inclusion, including the Corporate Observatory, Whistleblowing, the Listening Centre, the Equal Opportunities Committee, the Welfare Committee and the Joint Training Body, as well as the MPS Orienta Programme for the education and inclusion of young people and Stakeholder engagement activities aimed at identifying material topics, including 'Diversity and Inclusion'.

The Policy is implemented in accordance with the principles adopted by international organisations (e.g. the EU Charter of Fundamental Rights, the UN Declaration of Human Rights, the 2030 Agenda for Sustainable Development and the Principles for Responsible Banking), as well as the relevant European and national regulatory framework:

- CRD V, EU Directive 2019/878 of 20 May 2019;
- EBA Guidelines on sound remuneration policies (EBA/GL/2021/04);
- Directive No. 2023/970;
- BankIT Circular 285;
- Law No. 162 of 5 November 2021.

The Document also confirms the Group's membership of leading associations and campaigns (e.g., the Women in Banking Charter).

The provisions of the Policy apply to the Parent Company and all Group Companies, with any adaptations to organisational specificities, and are binding on the entire Group workforce. The approving structure of the regulatory document is the CHCO Department.

Oversight of the Gender Equality Management System [ESRS S1]

The Document governs the Group's Gender Equality Management System (GEMS), integrated into the Sustainability and ESG process, in accordance with UNI/PdR 125:2022 and the objectives of the NRRP. The GEMS represents a strategic pillar for the promotion of gender equality, inclusion and equity, contributing to the creation of sustainable value in the long term.

The System provides for the adoption and periodic review of a Gender Equality Policy, approved and disseminated both internally and externally, and of a Strategic Plan defining measurable objectives, corrective actions and a monitoring plan for the main KPIs in this area. The GEMS also provides for specific internal and external audit processes aimed at verifying the System's compliance with the relevant external regulations and with the internal reference documents (including the Code of Ethics and the Inclusion Rules), also for the purpose of maintaining UNI/PdR 125:2022 certification. For this purpose, the GEMS relies on specific internal processes, including a protection panel for managing reports of inappropriate behaviour, inclusive and accessible communication plans, periodic review by Top Management and aggregate reporting on any non-conformities and the corrective actions taken. The Document applies to the Parent Company and Banca Widiba.

Rules on the prevention of and action against gender-based harassment in the workplace (X) [ESRS S1]
<https://www.gruppompas.it/static/upload/reg/regole-in-materia-di-prevenzione-e-contrasto-alle-molestie-di-genere-sui-luoghi-di-lavoro.pdf>

The Document defines the general and essential guiding principles through which the Group directs its actions towards preventing and combating gender-based harassment in the workplace, promoting a safe, respectful and inclusive professional environment, in line with ESG principles and international standards on human rights and equality.

The objective of the Document is to identify and promote the principles and behaviours that are not tolerated in order to ensure a workplace free from gender discrimination, violence and harassment. These principles are binding on all persons operating within the Group and are consistent with the relevant internal documentation, including the Gender Equality Policy and the Code of Ethics. In particular, the Document promotes:

- the protection of people's dignity and mental and physical integrity; the confidentiality and protection of those reporting inappropriate conduct;
- shared responsibility in promoting a culture of respect.

In order to ensure the effective implementation of these principles, the Policy is integrated with specific internal processes, including behavioural guidelines for the prevention and management of harassment cases, staff training and continuous awareness-raising initiatives, the Listening Centre for psychological support and the reporting system integrated into the oversight of the Gender Equality Management System (GEMS).

The Document applies to the Parent Company and all Group Companies, with the possibility of implementation and adaptation to organisational specificities, and is binding on the entire Group workforce. The structure responsible for approving the regulatory document is the CHCO Department.

The Policy is adopted in compliance with the regulations in force, in particular Law No. 4 of 15 January 2021, ratifying and implementing International Labour Organization Convention No. 190 of 2019 on violence and harassment in the world of work.

Protection of people – Health and safety

Set out below are the Group Policies that define the reference framework and safeguards aimed at managing the impacts, risks and opportunities connected with people's health and safety throughout the value chain, identified as material in the context of the Double Materiality analysis.

Montepaschi Group Health and Safety Policy (X) [ESRS S1 – S2 - S4]

<https://www.gruppomps.it/static/upload/pol/policy-salute-e-sicurezza.pdf>

The Health and Safety Policy (Safety Policy) is based on the provisions of national and EU legislation on workplace health and safety and forms part of the 'Occupational Health and Safety Management System' (OHSMS), implemented in accordance with UNI ISO 45001, the principles of which constitute a primary reference point for the general objectives of business management.

In particular, the Policy aims to:

- ensure compliance with mandatory health and safety regulations;
- promote prevention activities in order to avoid workplace accidents and the onset of occupational diseases, implementing the measures most suitable for reducing risks and adopting the most effective tools and organisational arrangements;
- pursue, through the use of the necessary resources, continuous improvement by supporting, monitoring and actively promoting the achievement of the objectives laid down in the OHSMS.

Taking into account any changes that may occur in the relevant social, regulatory and technical context, the Safety Policy is periodically reviewed in order to ensure that it remains relevant and appropriate to the corporate organisation and to the nature and extent of the company's occupational health and safety risks.

The responsibility for guiding the implementation of the Safety Policy lies with Top Management and all Bank Management.

The Safety Policy, approved by the Board of Directors, constitutes an essential reference point for defining and reviewing health and safety objectives in order to achieve their continuous improvement.

Group Directive on workplace health and safety [ESRS S1 – S2 – S4]

The Montepaschi Group Directive on Workplace Health and Safety defines the organisational, operational and regulatory model adopted for the integrated management of occupational health and safety, in compliance with Legislative Decree 81/2008 and the international standard UNI ISO 45001, with the objective of safeguarding people's wellbeing and promoting a widespread culture of prevention.

The Directive regulates and ensures the adoption of the ISO 45001-certified Occupational Health and Safety Management System (OHSMS), which constitutes the reference framework for defining and periodically reviewing health and safety objectives, including the commitment to:

- prevent accidents and occupational diseases;
- continuously improve health and safety management and performance;
- communicate to its stakeholders the principles and commitments undertaken in this area;
- ensure compliance with the applicable legal requirements and other requirements that the Company decides to subscribe to.

The Directive is therefore aimed at establishing a structured and certified system for managing occupational health and safety (OHSMS), ensuring its implementation under the responsibility of Top Management and all Parent Company Management. For this purpose, the Directive provides for the formalisation of key roles (including H&SO, ASPP, Supervisors, OHS Managers, Occupational Physicians, WSRs and Emergency Staff), as well as the introduction of non-mandatory strategic roles such as OHSMS Manager and Top Management Representative. The model is integrated with the main business processes (including property management, supplier management, training, internal communication, compliance, budgeting and risk management) and with the 'INAIL Accident Management D.775' Policy, contributing to the promotion of safe, inclusive and sustainable working environments in line with the Group's ESG objectives.

The Directive applies to the Parent Company and all Group companies.

The Directive is implemented in accordance with national and EU legislation on occupational health and safety, as well as UNI ISO 45001, the principles of which constitute a primary reference point for the general objectives of business management.

Group Directive on Physical Security [ESRS S1 – S2 – S4]

The Directive defines the organisational model adopted by the Group (principles and responsibilities) for the 'Physical Security' Process. The process aims to prevent and counter events that could cause harm to employees, customers and the Bank's assets, through the definition of a general medium/long-term strategic direction, the adoption of an active and passive security standard and the proper use of the security installations and systems with which the Group has equipped itself.

The model provides for risk analysis and monitoring, the adoption of technical and behavioural security measures, the structured management of events through dedicated procedures and oversight of the 24/7 Control Room, as well as staff training and awareness-raising activities. In this context, the Directive is intended to safeguard employees and customers, reduce the risks of assault and robbery, protect ICT resources, and oversee regulatory compliance and operational continuity, including in the event of environmental incidents such as fires or flooding.

The Directive provides for interconnections and, in particular, integration with occupational health and safety policies, operational risk management, digital resilience and compliance with Legislative Decree 231/2001.

The scope covers all Group facilities (Branches, Large Buildings⁴⁵, ATMs, Data Processing Centres) and includes prevention measures, incident management and proper staff conduct.

The Directive assigns to Physical Security, which includes the Control Room, responsibility for defining security strategies and monitoring and managing events; to the competent functions, operational support and maintenance of safeguards; to Structure Managers and Branch Managers, implementation of measures; and to staff, compliance with rules and procedures.

The Directive complies with the 'Memorandum of Understanding for the prevention of crime against banks and customers' signed by banks, the Prefecture and ABI, to which the Bank adheres, as well as with Legislative Decree 231/2001.

⁴⁵ Sites that generally accommodate a large number of employees belonging to a number of Functions of the Bank (General Management, Territorial Oversight, Network) and Group companies. These premises may also be characterised by a high degree of property complexity, generated mainly by their large size and/or historical/artistic constraints, making special arrangements necessary for physical security management in order to protect employees, customers and the Bank's assets.

Health and Safety Oversight in Procurement, Works and Supply Contracts [ESRS S1 – S2]

The Directive defines the organisational model for managing health and safety in procurement, works and supply contracts within the Group. The objective is to ensure the protection of workers, the prevention of interference risks and regulatory compliance, reducing sanction and reputational risks, also for the purposes of administrative liability pursuant to Legislative Decree 231/2001.

The Directive sets out the principles underpinning Health and Safety, including:

- Cooperation and coordination between Client and Contractor;
- Prevention of interference risks and compliance with safety rules;
- Traceability and transparency of processes.

The adoption of the instruments required by law is envisaged, such as the Interference Risk Assessment Document (DUVRI) for contracts involving interference and the Health and Safety Coordination Plan (PSC) for temporary or mobile construction sites, as well as verification of the technical and professional suitability of companies and self-employed workers. Risk oversight is further strengthened by verification of the technical and professional suitability of companies and self-employed workers through document checks (Chambers of Commerce, Single Certificate of Contribution Regularity [DURC], credit licence), and by the inclusion of safety costs in contracts, accompanied by oversight activities on compliance with the measures envisaged.

Governance is based on clearly defined roles and responsibilities. The Client is responsible for awarding contracts, coordination and oversight, with the support of the Procurement Function for supplier qualification and, on request, the Prevention and Protection Function for technical aspects. Dedicated specialist roles ensure the effective implementation and monitoring of safety measures at the various operational stages.

The Directive applies to all Group companies and to contracts relating to building works, maintenance, cleaning services, surveillance, cash handling, consultancy and temporary or mobile construction sites.

The Document is implemented in accordance with Legislative Decree 81/08 and the Group's internal regulations.

Section 2 - Environmental Information

ESRS E1- Climate Change

This section sets out, in relation to the management of 'climate change', the MPS Group's transition plan, the policies and actions adopted to manage and mitigate negative impacts and climate-change-related risks and to seize relevant opportunities, as well as the targets set and the metrics used to monitor the effectiveness of the actions and measures adopted.

The information reported is directly related to and derives from the specific elements (in terms of impacts, risks and opportunities) identified as material following the double materiality analysis (further details are provided in the Double Materiality analysis section of this document).

Details of the relevant elements (including an indication of the value chain segment to which they relate and the relevant time horizon) are provided in the dedicated table, which is also available in the section "Double materiality analysis".

With reference to the various initiatives and lines of action illustrated later in this section, it should be noted that the Group has provided for specific investments and the allocation of dedicated resources to support their definition and development.

Based on assessment criteria defined internally, it is confirmed (in line with the approach adopted in the previous reporting period) that the financial commitments allocated overall to these areas of action, both in terms of capital expenditure (CapEx) and operating expenses (OpEx), are to be considered not material.

Transition plan for climate change mitigation

[E1-1]

The Group recognises the importance and urgency of addressing climate change, as well as the key role of financial institutions in supporting the transition to a net-zero economy by 2050. Through the activities by which they finance investments and the products they offer customers, banks can steer the economy towards more sustainable models. As with most financial institutions, the predominant share of emissions attributable to the Group, equal to 99.91%, consists of "Scope 3" financed emissions, namely emissions generated by the counterparties to which the Group grants loans, while only a small portion, 0.09%, derives from internal activities, i.e., the Group's own energy consumption and the fuels used.

In this context, the MPS Group (excluding Mediobanca) has defined a transition plan and embarked on a path aimed at fostering the progressive and structured integration of climate issues into its governance, strategy and decision-making processes, by defining strategic actions and concrete levers for action to help limit global warming to 1.5°C and contribute to the implementation of the Paris Agreement. The Transition Plan is based on the ambition of pursuing a decarbonisation strategy aimed at reducing emissions, both with reference to the Group's own operations and to those deriving from the financing granted, and of achieving Net Zero by 2030 for own emissions and by 2050 for financed emissions. This plan has been prepared since 2022 and periodically updated in line with changes in the context. The key points were first published in 2024 following publication of the decarbonisation targets for the priority high-emitting sectors, in line with the guidelines of the Net Zero Banking Alliance (NZBA), UNEP FI and the Glasgow Financial Alliance for Net Zero (GFANZ). In October 2025, the Net Zero Banking Alliance (NZBA) evolved into a voluntary framework: a UN initiative to which the MPS Group has adhered since 2022 and which confirms the ambition of providing guidelines to support banks in defining climate targets and climate transition strategies, the transition plan, the related targets and the initiatives to be implemented. These targets are periodically monitored and updated in line with the MPS Group's other annual steering activities, which are summarised in the annual sustainability reporting.

With reference to the reduction of financed emissions, the Transition Plan has defined and implemented, through the launch of a multi-year programme with its own hierarchical structure, a dedicated set of actions which, in the following macro-areas, have led to:

Metrics and targets:

- mapping financed emissions and identifying and prioritising economic sectors on the basis of emissions intensity and internal climate risk analyses, dividing them into priority high-emitting sectors, other high-emitting sectors and other sectors;

- gradually defining, in line with the priorities identified for the economic sectors, 2030 decarbonisation targets to give concrete effect to the related decarbonisation strategy, the reduction pathways of which are based on climate scenarios recognised by the scientific community (IEA and NGFS), fully in line with the Paris Agreement and with the objective of limiting global warming to +1.5°C compared with pre-industrial levels;
- identifying targets integrated into the annual commercial planning and incentive-system process, broken down by service model and sector, and supporting the relevant information for the structures concerned by these actions with dedicated tools;
- integrating risk management systems with ESG risks and integrating the RAF with ESG KPIs and KRIs.

Credit guidelines, policies and credit processes

- identifying transition levers and integrating credit strategies with ESG guidelines differentiated on the basis of **risk exposure, ESG Outlook and decarbonisation targets (ordinary, balanced and selective growth)**;
- identifying exclusion policies for certain sectors with a high environmental impact considered incompatible with the transition and with the climate objectives of the Paris Agreement;
- integrating credit standards and processes with ESG assessments and with the adoption of the ESG questionnaire which, on the basis of risk assessments, emissions intensity, publicly available information already held internally, together with additional information acquired from the client during engagement, determines the ESG Outlook (positive, which does not provide for further sustainability checks in the medium term; neutral, which provides for stress-testing of the business plan during case analysis; and negative, with enhanced stress-testing and guidance towards financing in support of the transition). The questionnaire is updated periodically.

ESG products and services and client engagement strategies:

- enhancing the offering of products and services in support of clients' transition, involving the adoption of ESG KPIs in line with global ESG objectives, the technical screening criteria of the EU Taxonomy and the Paris Agreement, which, together with differentiated pricing, represent a concrete lever for supporting customers;
- defining a client engagement strategy to encourage the sharing of the Group's decarbonisation targets, increase customer awareness of their ESG profile and risk exposure, and support them along this path with dedicated services and products and advice from ESG specialist staff. In this context, the Group has established a pool of energy/ESG specialists to support relationship managers and clients in the local areas. For larger and high-emitting client clusters, support by the Parent Company's ESG Function is envisaged, together with assistance to business colleagues in defining robust KPIs consistent with sector characteristics and decarbonisation targets.

Support and monitoring tools

- defining and implementing tools to monitor progress against targets and identify corrective measures in the event of deviations;
- continuing to identify, select and activate partnerships with experts in order to support our customers in the transition.

In this context, the MPS Group has established financed absolute emission reduction targets⁴⁶ for 2030 on the basis of climate scenarios recognised by the scientific community, with reference to the sectors with the highest emission intensity. The approach adopted for defining the above targets follows a convergence logic, outlining a decarbonisation pathway for the portfolio under consideration aimed at progressively converging towards the reference scenario, characterised by a Net Zero profile. For a detailed analysis of the targets and sector-specific intermediate milestones, please refer to the section "Climate change targets – Downstream value chain".

The MPS Group (excluding Mediobanca) identified the high-emitting sectors in line with the NZBA Framework guidelines, which at the baseline date amounted to EUR 14.9 bn of exposures to non-financial corporates in terms of GCA and 2.663 mln tCO₂eq of financed emissions, representing 43% of total exposures to non-financial corporates, amounting to EUR 34.8 bn GCA, and 74% of total financed emissions, amounting to 3.614 mln tCO₂eq, respectively. The sectors identified as high-emitting are Coal, Oil & Gas, Electricity Generation and Distribution, Iron and Steel, Cement and Aluminium, Automotive, Automotive Producers, Shipping, Aviation, Road, Chemicals, Agriculture and Real Estate. Among these, on

⁴⁶ As stated in Section 1 – General information, in the paragraph 'Disclosure in relation to specific circumstances', the targets refer to the Group prior to the acquisition of the Mediobanca Group.

the basis of its portfolio characteristics, it identified six priority high-emitting sectors, set out below, for which it has already identified and communicated decarbonisation targets:

- Coal Phase-out (target achieved at the end of 2023)
- Oil & Gas (target published in 2023)
- Electricity Generation and Distribution (target published in 2023)
- Iron and Steel (target published in 2023)
- Cement and Aluminium (target published in 2025).

Overall, the priority sectors indicated above for which targets have been set cover approximately 100% of GCA to those sectors, which at the baseline date amounted to EUR 4.7 bn in terms of GCA and 2.236 mln tCO₂eq, representing 31% of GCA of total exposures to non-financial corporates and 84% of total financed emissions in the high-emitting sectors, respectively.

For further information on the methodologies and criteria used to define NZBA targets, please refer to the section “Climate change targets”.

In 2025, the Group defined new interim management targets for 2030 to monitor financed emissions also in non-priority sectors, which nevertheless are characterised by high emission intensity or a significant climate and environmental impact. For this purpose, the same methodology applied to the communicated targets, the so-called NZBA Targets, was used, adopting IEA scenarios. Overall, exposures to priority high-emitting sectors with targets communicated to the market and to high-emitting sectors with management targets amounted to EUR 13.7 bn at the baseline date, representing 92% and 98%, respectively, of the GCA of total exposures to non-financial corporates and of financed emissions in the high-emitting sectors. No target was set for the Agriculture sector, as it is characterised by limited quality of the associated emissions data, in relation to which the MPS Group is implementing actions aimed at supporting its assessment and measurement of the emissions profile. At the baseline date, average coverage of the emissions profile of counterparties in the sectors subject to targets was 78% in GCA terms.

For each sector subject to targets, specific transition and decarbonisation levers were identified, on the basis of which the Group develops dedicated lending policies, integrates its commercial offering and enters into agreements with specialised partners. These are accompanied by initiatives and opportunities for dialogue with business customers, with the objective of increasing awareness of the challenges and opportunities of the climate transition. The Group's entire decarbonisation strategy is consistent with the Paris Agreement, with national and European decarbonisation policies and with the guidelines of the Net Zero Banking Alliance (NZBA), from October 2025 Framework NZBA. It also incorporates the assessments of the Risk Management Function regarding exposure to climate and environmental risks and pursues a twofold objective: supporting customers in the transition to a net-zero economy and, at the same time, mitigating the Group's exposure to climate and environmental risks.

Implementation of the strategy has led to the progressive integration of lending policies, processes and standards with indicators linked to sector targets and the counterparties' climate and environmental risk profile (C&E) of the counterparties.

The transition plan and the related decarbonisation targets – prepared to contribute to climate change mitigation, progressively reduce the Group's emissions footprint and strengthen the management of climate risks – were presented to and discussed within the Management Committee – ESG Session and subsequently approved by the Board of Directors, subject to the binding opinion of the Risks and Sustainability Committee. The plan, updated in 2024 through the identification of targets for the other priority sectors and the related levers, was definitively approved by the Board of Directors in January 2025 (for further information on the progress made by the undertaking in implementing the plan, please refer to the section “Transparency and monitoring of progress”). Where possible, the levers defined have been translated into management indicators and KPIs, which are subject to implementation and monitoring actions within management monitoring processes and in line with risk evidence. Since 2022, the Group has introduced into the RAS specific risk metrics relating to exposure to climate and environmental risks.

Implementation and effectiveness of the decarbonisation strategy and exposure to climate and environmental risks are monitored periodically by the Sustainability and ESG Function in coordination with the ESG RISK Function and the other competent structures involved in the decarbonisation strategies. The outcome of the monitoring is shared quarterly with the top bodies, making it possible to detect promptly any deviations from the envisaged trajectories and to define the necessary corrective actions. From 2025, monitoring of the sectors covered by the decarbonisation targets, the so-called NZBA targets, is reported in the Sustainability Statement. Previous publications are available in the Sustainability – Reports section of the institutional website <http://www.gruppomps.it>.

The Group has always deemed it essential to reduce the environmental impacts deriving from its operating activities, despite the limited emissions recorded, and over the years has launched various initiatives aimed at reducing direct and

indirect emissions (Scope 1 and Scope 2 – market based), defining quantitative targets based on performance recorded at the end of 2017. In this process, targeted actions were implemented to reduce the use of fossil fuels, dematerialise internal processes and those aimed at customers, reduce paper consumption and manage waste, as well as to improve energy efficiency in general and adopt energy from renewable sources. Since 2011, the Group has made almost total use of electricity from renewable sources.

As confirmation of this commitment, under the 2024–2028 Plan (confirmed in the 2026–2030 Plan), the Group further strengthened its strategy by **setting the target of reducing net Scope 1 and 2 greenhouse gas emissions to zero by 2030**. To achieve this goal, the 2025–2028 Sustainability Plan provides for further energy-efficiency measures and the optimisation of buildings, plants and infrastructure, while also promoting better management and enhancement of corporate spaces. These measures include, for example, the rationalisation of sites and more efficient use of workspaces.

Decarbonisation levers and key actions for reducing indirect emissions from the credit portfolio

The Group has adopted a structured approach to accompany its customers in the transition to a low-emissions economy, with the objective of reducing the climate footprint of the lending portfolio while at the same time managing the risks associated with climate change. This pathway starts from the awareness that **all sectors can contribute to the transition**, albeit in different ways and on different timescales. For this reason, the Group identified both transition levers common to all sectors and more targeted actions for the highest-emitting sectors, which are characterised by complexity due to their infrastructural features and the technologies available.

For this purpose, the Group has identified a set of **specific decarbonisation levers**, including the integration of metrics on emissions profile and transition risk into lending assessments (ESG Outlook), the introduction of exclusion criteria for certain emission-intensive and high-environmental-impact activities, the offering of dedicated financial solutions (including taxonomy-aligned solutions), active engagement with counterparties (sharing ESG assessments and supporting the definition of improvement plans consistent with their environmental objectives) and a strategic orientation towards lower-carbon technologies. These levers are **directly instrumental in reducing financed emissions**, as they encourage the reallocation of credit flows towards low-impact projects and support clients in their transition through financing linked to the achievement of specific **climate KPIs** and aimed at funding transition projects.

Alongside advisory support, the Group offers **financial solutions dedicated to sustainability**, such as loans linked to green targets or financing intended for projects aligned with the European taxonomy, with preferential terms for companies that make concrete investments in the transition. This is complemented by dialogue with institutions and trade associations, aimed at creating a context conducive to change.

This vision is also reflected in an evolution of lending policies, which integrate ESG criteria both in the assessment of counterparties and in lending decisions. In this way, the Group progressively steers the portfolio towards more sustainable models, in line with its climate strategy.

For the **management of exposures not aligned** with the transition strategy, the Group has put in place concrete measures such as the application of exclusion criteria for specific activities, constant monitoring of positions and active engagement with emission-intensive counterparties in order to support their decarbonisation.

The envisaged **time line** is articulated through the definition of interim emission reduction targets for specific sectors with a 2030 horizon, the details and key milestones of which are set out in the paragraph "Climate change targets".

A sector receiving particular attention is the **Oil & Gas** sector, for which, to date, an emissions-reduction target of **-40% by 2030** has been set, with reference exclusively to the segment of **non-financial counterparties** within the consolidated Group portfolio. Maintaining exposure to this sector is reconciled with reduction trajectories through the introduction, from 2024, of guidelines excluding financing for unconventional Oil & Gas or new deposits. For an in-depth examination of the methodologies and interim milestones, please refer to the paragraph "Climate change targets – Downstream value chain". In order to identify locked-in carbon emissions, the MPS Group has provided for further analyses within the 2025–2028 Sustainability Plan, aimed at identifying them in line with developments in the external context and the related methodologies.

ESG strategies, lending processes and standards

Starting in 2022, as part of the broader objective of guiding customers along a path to improve their risk profile also from an environmental and social perspective, the Group integrated its lending strategies with specific sustainability/ESG guidelines. In particular, the Group is committed to integrating its decarbonisation targets into operational credit-

planning processes through the introduction of an additional steering element known as “ESG Outlook”, which complements the guidelines deriving from the ordinary strategy. The ESG Outlook summarises sector alignment with the climate transition (sector transition climate risk exposure indicator – the so-called 'TAC MPS') and the counterparty's ESG profile (the so-called ESG score), defined on the basis of the ESG questionnaire.

The ESG questionnaire makes it possible to collect detailed information on the ESG profile of each individual Customer and, in addition to enriching the Bank's information base, contributes to defining the ESG profile more accurately and supporting the management of the Customer's risk profile. It is integrated into the Group's operating system, which, in addition to allowing it to be completed, makes it possible to identify the counterparty's exposure to transition risk and physical risk.

The ESG questionnaire is continuously updated. During 2026, a new version will be released in line with the indications from the supervisory authorities and best market practices.

For counterparties with a Negative ESG Outlook, more conservative assumptions are envisaged in business plan assessment (sensitivity add-on), as well as the granting of financing aimed at improving the customer's emissions profile. The ESG Outlook, in combination with the standard strategy, determines the overall level of stress to be applied to the Industrial Plan. The integration of the Ordinary Strategy and the ESG Outlook also makes it possible to define differentiated guidelines for determining the most suitable type of financing and guiding the development of lending in support of investments aimed at mitigating transition risks or characterised by a low environmental impact.

Particular attention is also paid to the sectors falling within the Net Zero Banking Alliance framework. In this regard, the lending strategies dedicated to NZBA sectors provide for specific guidelines that include the involvement and analysis of the transition plans of the counterparties with the highest emission intensity, useful for identifying the services and the specific financing solution, such as green financing and/or financing with ESG covenants for environmental purposes, in particular through the use of 'Green Loans' and 'Sustainability Linked Loans'.

As part of its lending activity, the Group has developed an approach aimed at supporting the ecological transition and has defined a set of guidelines to steer capital allocation towards sustainable activities. These guidelines include:

1. specific due diligence activities or exclusion criteria for sectors with a high social impact;
2. a differentiated decarbonisation strategy calibrated to the various sectors with a high environmental impact;
3. stricter criteria for emission-intensive activities that are not aligned with international climate objectives.

Restrictive and exclusion criteria for emission-intensive activities

In line with its climate strategy, the Group integrates its decarbonisation targets into operational financial-planning processes, introducing particularly stringent restrictive and exclusion criteria for three specific high-emitting sectors (Coal, Power Generation, Oil & Gas):

- **Coal Mining:** In line with the Paris Agreement and the National Integrated Energy and Climate Plan (NIEC), the Group excludes any new exposure to companies operating in the coal mining sector, in line with the target for phase-out by 2025. The main measures taken are:
 - Exclusion of new funding for the exploration and creation of new coal mines;
 - Exclusion of funding for the development or expansion of existing coal mines;
 - non-renewal, at natural maturity, of existing performing exposures, in order to achieve the sector's complete phase-out.

However, loans can be granted to projects for the redevelopment and reclamation of mining sites, provided that the environmental objectives and benefits are clearly assessed and documented through specific due diligence.

- **Production, Marketing and Distribution of Electricity (Power Generation):** Energy production represents an opportunity from a Net-Zero perspective, in view of the growing importance of renewable energies. The electricity generation sector is considered to be emission-intensive, owing to the predominant use of fossil fuels and the high level of greenhouse gas emissions, and is therefore subject to rapidly evolving regulations and technologies. In this context, the decarbonisation levers defined by the Group envisage financial solutions aimed at promoting the use of renewable energy, with the objective of steering customers along paths of improvement in terms of emissions and confirming the Net-Zero trajectory undertaken.

If, despite the efforts and activities aimed at the conversion and transition of counterparties, the Group identifies specific situations in which critical elements exist that are capable of significantly limiting the emissions reduction pathway on a structural basis, limitation criteria have been defined for counterparties planning to expand coal-fired electricity generation capacity, intending to build new coal-fired power plants or producing more than 30% of their energy from coal without a transition plan consistent with the objectives of the Paris Agreement, or that do not have transition plans to increase the share of renewable energy until achieving at least 40% of generation by 2030.

- Oil & Gas:** The oil and gas sector causes significant impacts in terms of environmental pollution and greenhouse gas emissions. This sector is characterised by strong investment trends and overall policies of the major players that are implementing progressive strategies aimed at reconversion towards technologies with lower climate impact and based on the exploitation of fewer GHG-intensive resources. In this context, the Group offers financial solutions, such as Sustainability-linked loans and Green Bonds, and consultancy to facilitate the transition of counterparties to low-carbon technologies. Where, despite the efforts and activities aimed at the conversion and transition of counterparties, the Group identifies specific situations in which critical elements exist that are capable of significantly limiting the emissions reduction pathway on a structural basis, exclusion criteria have been defined relating to the financing of counterparties and projects aimed at the creation, enlargement or expansion of unconventional oil and gas exploration and production sites, such as fracking, oil sands, extraction in the Arctic region, in the Amazon's 'Amazon Sacred Headwaters' area, and in ultra-deep waters. These exclusion criteria also apply to companies that generate more than 20% of their revenues from activities related to the extraction or transportation of unconventional oil and gas, or that undertake activities related to new oil exploration and the construction of new oil infrastructure (consistent with the COP-28 agreement in Dubai (2023)). In summary, the Group has defined a comprehensive framework of credit policies that fully integrates environmental and social objectives, steering the portfolio towards a sustainable transition, mitigating reputational and ESG risks and contributing to global decarbonisation commitments. Starting from 2024, in line with the Group's ESG strategic guidelines, credit strategies also take account of components relating to physical risk and non-climate risks (including those relating to: water resources, ecosystems and biodiversity, *circular economy*, pollution). The management 'Tool' of the strategies enables managers to identify precisely physical risk (through a score developed by the Risk Management function) *as well as non-climate risks (through an indicator called TEC, also developed by the Risk Management function and defined for each risk category)* to which the counterparty under analysis is exposed, and provides qualitative guidelines for mitigating those risks.

Support tools, transparency and monitoring of progress

In order to support effectively the transition to a more sustainable economic model, the Group has implemented a set of integrated initiatives aimed at disseminating a culture of decarbonisation and ensuring the practical application of the operational levers envisaged by the climate strategy. The objective is twofold: on the one hand to facilitate the achievement of environmental targets and, on the other, to strengthen internal capacity to manage sustainability-related risks and opportunities.

A first area of action concerns skills development. The Group has launched training pathways dedicated to ESG topics, differentiated according to business roles, and has created cross-functional groups of experts capable of supporting the commercial network and raising awareness across the organisation on sustainability issues. At the same time, the systematic collection of financed emissions data has been structured, supported by monitoring and reporting tools that make it possible to read the portfolio's climate impact.

These activities are complemented by ongoing dialogue between the main functions involved – from the commercial departments to the Sustainability and ESG Function, and up to the Chief Lending Officer and Chief Risk Officer functions – with the objective of sharing monitoring results, rapidly identifying any deviations from targets and defining corrective actions or additional initiatives. The commercial network can also rely on tools that make it possible to assess customers comprehensively, integrating emissions profile, transition risk and physical risk and identifying possible areas for improvement and the related KPIs, as well as the most suitable financial solutions. A cross-functional team supports Relationship Managers in structuring green transactions and defining the KPIs required for sustainability products.

This set of measures demonstrates a proactive and integrated approach aimed at strengthening every strategic and operational area involved in the transition to a low-emissions economy. To make this process even more effective, the Group made targeted investments dedicated to managing and monitoring the decarbonisation strategy and ESG issues,

concentrated within the Group ESG Project. These are targeted investments, mainly linked to the development of technological infrastructures, databases and information systems useful for improving data quality, mandatory reporting (such as CSRD, Pillar 3, Social and Green Bonds, NZBA) and the Group's capacity to structure green products correctly and verify their KPIs over time.

The process for monitoring decarbonisation targets and the strategic actions aimed at supporting the decarbonisation pathway of the loan portfolio and the related mitigation of C&E risks **is based on two different levels** (Strategic and Management), which, in the event of deviations from targets, enable the consequent definition of the mitigation actions required to bring the KPIs back onto the defined trajectory. **Mitigation actions are not established in advance, but are defined on a case-by-case basis starting from an analysis of the root causes of the deviation. Strategic monitoring is shared with the Top Management Bodies, while Management monitoring is shared with all the relevant functions.**

OpEx investments include access to external databases, specialist services supporting the definition of the transition plan, dedicated training for internal resources and the development of the ESG framework, with the contribution of an external provider for governance and processes. All these measures help to integrate ESG principles ever more robustly and structurally into business processes, from risk management to reporting, and to ensure compliance with European standards (ESRS) and sustainability regulations.

Policies related to climate change mitigation and adaptation

[E1-2]

This section includes the description of the policies adopted by the Group to oversee issues related to climate change mitigation and adaptation, as well as energy efficiency.

The Group adopts an organisational model that aims to progressively integrate the principles of environmental, social and governance sustainability into the definition of its strategy, business model and corporate policies in line with the changing regulatory framework and context in which it operates.

The Group's commitment to climate change mitigation and adaptation, as well as energy efficiency and consumption reduction, is reflected in its sustainability policies, which define the areas of commitment through which the Group, taking account of its activities and characteristics, can make a concrete contribution to generating a positive impact on the climate and the environment and to supporting their transition towards sustainable and net-zero development models.

The Group's sustainability policies are defined in line with regulatory obligations and international standards, contributing to long-term value creation and promoting the climate transition.

In this context, the Group Guideline on Sustainability and ESG⁴⁷ (hereinafter "the Guideline") sets out how the Group is committed to making a positive contribution to sustainable development and climate transition, integrating environmental principles into its business strategy. In particular, the Directive identifies areas of action connected with environmental impacts, setting the objective of measuring and progressively reducing its Scope 1, Scope 2 and Scope 3 greenhouse gas emissions, as well as of using energy from renewable sources, as the main courses of action to be pursued in order to achieve its objectives. In this regard, the Directive promotes the reduction of natural resource consumption through recycling and the use of renewable energy, governs the procurement processes for goods and services through the assessment of their environmental impact throughout the life cycle and pursues the minimisation of waste and polluting and climate-altering emissions, while also promoting sustainable mobility solutions for staff. In addition, the Directive defines the Group's commitment to supporting companies in the transition towards sustainable and zero-emission models, through the establishment of lending and investment processes and standards, analysis and monitoring tools integrated with counterparties' ESG profiles, products and services with high environmental and social added value and the progressive introduction of ESG products into the Group's commercial offering. This commitment is articulated along three strategic lines:

- provision of green lending, through a lending assessment process based on strategies and lending standards integrated with ESG criteria and through the offering of products and financing solutions dedicated to supporting companies' transition towards sustainable and net-zero development models;
- investment services, by progressively implementing the offering of advisory, investment and insurance products with underlying strategies linked to sustainability and the impact on the environment and the climate;

⁴⁷ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

- issuance of green bonds.

For a more detailed description of the sustainable financing products offered by the Group, please refer to the section on “Climate Change Actions in Relation to the Downstream Value Chain”.

The Code of Ethics²¹ also identifies the environment as a primary asset that the Group is committed to safeguarding, seeking a balance between economic initiatives and the needs of the ecosystem and taking into account the rights of future generations. These principles are further strengthened by the Group Directive on the Management of prescriptive compliance obligations pursuant to Legislative Decree 231/2001 on administrative liability²¹, which integrates governance and control safeguards aimed at preventing non-compliant behaviour and ensuring compliance with the applicable regulations also in environmental matters.

The Group manages its impacts on the environment in an organised and increasingly efficient manner through the definition of general criteria, guidelines and measures that ensure the reduction of the direct and indirect environmental impact of its activities, the improvement of environmental performance indicators, the alignment of the 'Group's' strategy with climate change mitigation objectives and financial support to customers in the transition towards sustainable business models. These actions are accompanied by the development of products and services also aligned with the Sustainable Development Goals (SDG's)⁴⁸ and the Paris Agreement⁴⁹, as well as the governance of climate and environmental risk factors, regulated through the Group Risk Management Policy, the 'Methodological Rules for ESG risk factors: identification and measurement of environmental and climate risks' and the document 'Materiality assessment of climate and environmental risk factors'²¹. Setting out the principles of the Code of Ethics within the Group has made it possible to develop several policies aimed at mitigating climate change impacts within the activities carried out, with particular reference to climate change mitigation, adaptation and energy efficiency.

In this context, reference should also be made to the Group Environmental Policy, the Group Directive on Oversight of the Environmental Management Model and the Group Policy on Safety and Environment²¹, which define the guiding criteria to be followed, in line with the Code of Ethics, in order to optimise the management of activities that may have significant impacts on the environment, as well as the organisational model adopted for the related oversight and for monitoring procedures aimed at compliance with environmental protection regulations. The operational management of the model is the responsibility of various specialised functions within the Group. In particular, the Group Directive on Oversight of the Group Environmental Management Model defines the principles to be pursued in internal operating contexts and in relations with the market. In this context, the Group undertakes to develop lending policies that also take account of the possible environmental impacts of customer companies and their projects, to support customers in their objectives of saving and optimising the management of natural resources and to support and promote investment in environmental protection sectors (in line with the provisions of the documents 'Rules for the definition, transmission and monitoring of lending strategies' and 'ESG Outlook Framework – Integration of ESG risk factors into creditworthiness'²¹).

In defining the contents of the aforementioned policies, the Group gives due consideration to the interests of the main stakeholder of reference, as detailed in the section of this document relating to the Stakeholder Engagement process.

Climate change actions

[E1-3]

Own operations

The Group has adopted specific actions aimed at managing the climate change mitigation related to its business. More details on this can be found in the section “Transition Plan for Climate Change Mitigation”. For years, the Group has

⁴⁸ In September 2015, the UN General Assembly endorsed the 17 Sustainable Development Goals (SDGs), also known as the 2030 Agenda for Sustainable Development, recognising the strong interconnection between the conservation of natural systems, human wellbeing and economic development. In fact, the Sustainable Development Goals cover a range of issues, including the fight against poverty, hunger, the right to education, the promotion of sustainable patterns of production and consumption, as well as urbanisation and social equality.

⁴⁹ At the end of November 2015, the 21st session of the Conference of the Parties (COP 21) to the United Nations Framework Convention on Climate Change took place in Paris. Recognising the need for an effective and progressive response to the urgent threat of climate change, it concluded with an agreement to limit global warming to below 2°C. On the basis of this agreement, each adhering country adopted an action plan and reports to the Conference of the Parties every five years on its contribution to achieving the common goal. This establishes a concrete contribution and monitoring mechanism aimed at climate change mitigation and sustainable development.

pursued the reduction of direct Scope 1 impacts and indirect Scope 2 and 3 impacts relating to its own operations, and has launched and implemented initiatives aimed at reducing the use of fossil fuels, overall energy consumption and increasing the use of energy from renewable sources and, more generally, at achieving the targets set in terms of reducing Scope 1 and Scope 2, using 100% renewable energy – an objective in place since 2012 – and bringing Scope 2 market-based emissions to zero.

Below are some detailed initiatives relating to the scope of own operations, the reference timings of which are consistent with the defined objectives.

The Group, in pursuit of its broader goal of reducing energy consumption, from 2019 draws up the Measurement & Verification Plan (**M&V**) in line with the International Performance Measurement and Verification Protocol (IPMVP), with the aim of verifying the results of energy efficiency, water efficiency and renewable energy projects according to a consolidated framework. The IPMVP adopted by the Group is the leading international protocol for verifying energy saving results.

The M&V Plan is founded on construction of the baseline (2019) for comparison using engineering calculations that lead to ordinary adjustments (e.g., due to changes in climate conditions, etc.) and extraordinary adjustments (e.g., due to changes in operating hours, technological equipment, number of employees, etc.). The use of the M&V Plan, certified by Tor Vergata University of Rome, made it possible to report for the year 2025 the reduction in project-related consumption of 7,181 MWh compared to the 2019 baseline.

During 2025, the network **energy management platform** (PER) was maintained, resulting in significant electricity savings through the implementation of the real-time monitoring programme of energy consumption and environmental parameters, already installed at more than 1,200 branches. Through Artificial Intelligence and machine learning systems, the platform monitors the correlation of environmental parameters with the operating set-points of the air-conditioning systems and predictive maintenance of the Heating, Ventilation and Air Conditioning (HVAC) systems. The platform is active in branches throughout the country.

In addition, with a view to mitigating the impacts of the vehicle fleet, charging stations were installed in the car parks of the Siena properties following the introduction of certain electric/plug-in hybrid cars.

During 2025, the campaign to replace the remaining halide-containing lighting sources with lighting units equipped with LED light sources (so-called Relamping) in branches throughout the country was launched. Activities have been completed in approximately 90 properties. The Group joined the two energy saving initiatives in 2025: on 16 February, it joined Italy's initiative "M'illumino di meno" (Using less light) and on 18 February the International Energy Saving Day. On these two occasions, most of the illuminated signage was turned off and night lighting was minimised in the registered office at Piazza Salimbeni, 3 Siena.

In 2026, the campaign to install charging stations for electric/plug-in hybrid cars in the car parks of some of the main corporate sites will continue.

Relamping activities, again using technologies that meet the best market standards, will also continue in 2026 and will involve a greater number of sites than in 2025.

The design of energy-efficiency improvements for the main management buildings will also be launched, with a transition to more efficient systems that use utilities with a lower environmental impact and, where possible, with works on the building envelope and also on the self-production of renewable energy. At the same time, possible modernisation measures for the branch network **energy management** platform (PER) will be assessed, following technological advances in the field from both a *hardware* and a *software* perspective.

With regard to the Milan, Padua and Florence *City Plan*, a project to rationalise the Group's instrumental spaces is planned for 2026, with an expected reduction in occupied surface area and the consequent release and vacation of some large buildings, again with a view to containing energy consumption.

Emission offsetting activities relating to the use of natural gas will also continue in 2026, through the purchase of carbon credits.

In addition, the Group continues to pursue the objective of full paperless through the progressive digitalisation of internal processes and those aimed at customers, also with a view to reducing paper use and therefore reducing the related Scope 3 emissions. In 2025, the Group, excluding Mediobanca, prepared a 2025–2028 Sustainability Plan providing for further energy-efficiency actions for its own operations, upon completion of which it will carry out an in-depth analysis in order to identify the hard-to-abate emissions to be offset through the purchase of carbon credits and to identify further actions for the remaining emissions, with a view to achieving the Net Zero target for own operations by 2030.

Mobility Management

As part of Mobility Management obligations, the Group has for many years appointed a company Mobility Manager: a corporate role dedicated to governing mobility demand and promoting sustainable mobility in relation to staff home-to-work commuting.

Home-Work Commuting Plans continue to be the main tools for managing sustainable mobility strategies: in 2025 as well, these documents were updated in the cities subject to the obligations laid down by the applicable regulations.

The analysis activities were conducted in 14 offices in 8 cities for a total of about 3,800 employees involved.

The Home-Work Commuting Plans envisage prompt improvement initiatives to strengthen the external and internal networks, as well as communication and awareness-raising activities on sustainable mobility topics.

One of the main internal communication tools, in place for several years, is the Mobility Management section of the corporate Intranet, where news of the main corporate initiatives on this topic are published regularly, in addition to information on sustainable mobility initiatives in the 8 cities involved.

During 2025, the development and full implementation of the agile working policies provided for by the supplementary contract for staff generated fuel savings owing to the reduction in home-to-work commuting by all employees making use of the possibility of working from home on the days provided for by second-level collective bargaining.

Downstream value chain

The Group has defined a structured framework of actions aimed at mitigating the negative impacts of climate change, in line with the objectives set out in its Transition Plan, to which reference should be made for further details. The approach adopted is based on the integration of differentiated measures by economic activity sector, emissions intensity level, available technologies and degree of exposure to climate risks, also providing for specific exclusion criteria or more restrictive guidelines for certain sectors.

The Group has also strengthened its strategies, processes and credit standards to systematically integrate counterparties' ESG profile into the assessment of creditworthiness, steering lending towards solutions that support the climate transition. This activity is accompanied by advisory services and a dedicated offering of credit products and facilitating measures linked to national and sector policies on climate and the environment.

As part of actions aimed at the downstream value chain, the Group has classified economic sectors into three distinct clusters, using indicators relating to emissions intensity, climate risk level and the availability of decarbonisation-enabling technologies. The first cluster includes the **priority emission-intensive sectors** (Oil & Gas, Power Generation and Distribution, Iron & Steel, Cement and Aluminium) for which **2030 interim decarbonisation targets** have been defined and disclosed to the market, consistent with NZBA framework guidelines, the availability of credible climate scenarios and the portfolio approach adopted by the Group. For these sectors, specific guidelines have also been introduced in credit and commercial policies, to be implemented through the offering of ESG products and financing instruments dedicated to supporting the transition. The second cluster includes **non-priority sectors which nevertheless are characterised by high emissions intensity**, such as Real Estate, Transport, Automotive and Agriculture, as well as sectors with a high environmental impact such as Chemicals. For these sectors, the Group has defined interim management targets, adopting the same methodology used for the priority sectors, and commercial guidelines aimed at progressively reducing the indirect emissions associated with financed activities, leveraging the available ESG instruments. The third cluster includes all other sectors, characterised by relatively lower transition risk. For these counterparties, the Group adopts a single-counterparty approach, based on engagement with and ad hoc assessment of the related ESG profile and any Transition Plans, followed by the identification of the financing solution consistent with the Group's ESG credit guidelines. Taken together, the initiatives described help steer the credit portfolio towards a decarbonisation trajectory consistent with the mitigation targets established by the Group and with ESRS E1 requirements.

For a more detailed description of the actions undertaken along the downstream value chain, please refer to the paragraph dedicated to *Decarbonisation levers and key actions for reducing indirect emissions from the credit portfolio*.

Green products and services offering

Financing products

The Group actively supports its customers in the transition towards net zero economic models, by developing and promoting financing products linked to Green targets and green activities, aligned with the main relevant guidelines: Loan Market Association (LMA), Green and Sustainable Lending Glossary of Terms, and the EU Taxonomy, as well as relevant

schemes available at national and EU level (e.g., SACE Growth – Green module, EIB). The Green commercial offering includes three main categories, which differ in terms of purpose, requirements and reporting methodology:

1. **Sustainability Linked Loans (SLL):** Generic financing that rewards companies for achieving predetermined sustainability targets. These loans are linked to specific ESG KPIs that incentivise the sustainable performance of counterparties, including KPIs related to climate change mitigation and governance issues;
2. **Green Loans:** Loans aimed at financing projects with positive impacts on the environment and/or society. These loans are used for projects supporting the green transition, such as increasing the production and use of renewable energy, sustainable mobility and sustainable agriculture.
3. **Taxonomy Aligned Loans:** a type of Green Loan that adopts the requirements laid down by the EU Environmental Taxonomy in order to assess the sustainability of the activity/project in line with the environmental criteria established by the European Union.

During 2025, the Group, excluding Mediobanca, provided approximately EUR 1,820 mln of green finance, of which EUR 843 mln consisted of Sustainability Linked Loans and approximately EUR 545 mln of Green Loans.

Below are some of the facilitated measures available at national level to which the Group has adhered in order to support the climate transition.

Project Financing & Real Estate

Project finance transactions in favour of Special Purpose Vehicles (SPVs), aimed at financing or refinancing green projects, in particular in the renewable energy and sustainable mobility infrastructure sectors. In this area, during 2025, EUR 257 mln was disbursed to support wind, photovoltaic, agrivoltaic, advanced biomethane and sustainable mobility projects.

Within Real Estate Finance, the Group is active in financing and refinancing significant projects aimed at the construction, redevelopment and renovation of office, commercial, tourism and hospitality, and logistics property complexes with high levels of energy performance and efficiency. In 2025, EUR 106 mln was disbursed to support sustainable real estate projects.

Measures to support SMEs

Nuova Sabatini - Access to credit for investment

In order to support businesses engaged in investment programmes in capital goods with a low environmental impact, the Group participates in the Capital Goods scheme ("Nuova Sabatini"), which, from 1 January 2023, introduced the new so-called "Green", designed to support low environmental impact investment in programmes to improve the environmental sustainability of products and production processes. The facilitation offered by the Group is structured as follows:

- the granting by the Group to SMEs of a bank loan or lease finance;
- The loan must be for an amount between EUR 20,000 and EUR 4,000,000 with a maximum 5-year term, and can be backed by the "SME Guarantee Fund" for up to 80% of the total amount of the loan;
- agreed by the MIMIT as an operating grant commensurate with the interest on the loan. This grant is equal to the total interest calculated, as normal, on a 5-year loan for an amount corresponding to the investment, at an annual interest rate of: 2.75% for ordinary investments; 3.575% for 4.0 investments and 3.575% for *green* investments.

During 2025, a total of around EUR 47.5 mln was disbursed for this measure, of which EUR 30 mln for 4.0 investments and EUR 3.2 mln for green investments.

Bond issues with ESG features

The Group supports its Corporate clients through the structuring and placement of ESG bond issues that comply with international standards and, in particular, with ICMA guidelines and the EU Taxonomy. The bonds issued are intended to finance (or refinance) projects with green or social purposes or to finance activities that achieve specific sustainability KPIs.

In this context, 2025 saw participation in the syndicate for the issue and placement of a 6.5-year green bond aligned with the European Taxonomy issued by HERA S.p.A. Also in 2025, the Bank structured and placed a Sustainability Linked Bond totalling EUR 45 mln issued by a leading SME client, acting as Global Coordinator, Arranger and Joint Bookrunner.

In addition, the Group participated in the placement on the primary market with institutional clients of the new BPT Green issue maturing in April 2046.

MPS Green Bond issue

In 2025, the Group completed its first issue of a **Green Senior Preferred Unsecured Bond** for **EUR 500 mln**, attracting strong interest from leading Italian and international investors, with orders totalling approximately **EUR 2 bn**, equal to four times the offer. The transaction, characterised by a **fixed coupon of 3.25%** and planned as part of the **Funding Plan 2025**, complies with the Group's "**Green, Social and Sustainability Bond Framework 2024**", which governs the eligibility and reporting criteria for sustainable finance instruments. In line with this Framework, the proceeds of the issue are intended to finance projects with positive environmental impacts, contributing to the Group's climate transition path and gradual alignment with European sustainable finance policies. The strong interest of investors, including players with ESG strategies, confirms the solidity of the path undertaken and the strengthening of the Group's positioning in the sustainable issuance market.

Investment products - UCITS and portfolio management

During 2025, for the period from 1 January to 31 December, with reference to the placement of financial products of third-party companies, 62 new UCITS were introduced in line with the ESG classification under Articles 8 and 9 of the SFDR Regulation, representing 63% of all new UCITS. With reference to the UCITS under placement in the above period, almost 77% are aligned with Articles 8 and 9 of the SFDR Regulation. In stock terms, the percentage of ESG funds amounted to 39.44% of total funds under placement, corresponding to almost EUR 11 bn, in line with the Industrial Plan objective of maintaining a percentage of at least 40% over the 2024-2028 period.

As regards actions in the area of portfolio management, the activity carried out in the previous year to cover all risk classes without launching new lines in the catalogue was consolidated. The lines are invested exclusively in UCITS/ETFs. At the end of 2025, ESG portfolio management products were overall invested 77% in Art. 8 funds and 14% in Art. 9 funds under the SFDR classification.

Within portfolio management investments, in addition to having in its catalogue a range of lines classified as Art. 8 under the EU SFDR Regulation, the Group has defined a specific strategy aimed at **integrating and monitoring sustainability risks, in order to offer investment solutions** consistent with environmental, social and governance dynamics.

To **verify the suitability requirements of portfolio management from an ESG perspective, a specific indicator (with values ranging from 1 to 5) is used**, calculated internally by the Risk Management function on the basis of a score prepared by an external provider.

The ratings do not indicate a sustainability assessment, but an ESG risk level (which increases as the rating level increases).

Analysing **the overall number of all portfolio management lines** outstanding as at 31 December 2025, 85% of them have a rating of 2 and 11% have a rating of 3. The remaining 4% of lines have a rating of 9 (this value is assigned where coverage of the ESG score of the underlying products is below 60%).

Insurance products

The offering in the "business protection" area has also been enhanced and adapted with reference to coverage for "catastrophic risks", in order to comply with the provisions of Ministerial Decree No. 18 of 30 January 2025, which introduces for all companies an obligation to obtain insurance coverage against catastrophic risks.

The product dedicated to businesses, "Protezione business", has therefore been further developed to meet this specific need, through the definition of a new package called catastrophic risks, divided into two incremental tiers, Regular and Large, which provide progressively increasing levels of protection, respectively.

The Group makes available a series of optional covers against Catastrophic Risks, aimed at protecting customers against material damage arising from extreme natural events such as **earthquakes, floods, inundations, overflow and landslides**. Such covers may be activated, at the customer's choice, with reference to the various categories of insured assets, including **land, buildings, plant and machinery, industrial and commercial equipment**, as well as **other contents** located within the business. Each cover indemnifies material damage suffered by insured assets as a result of the occurrence of the specified events, helping to mitigate the company's economic exposure to impacts arising from increasingly frequent climatic and geophysical phenomena.

In 2025, 1,620 Mia Protezione Business policies and 5,333 Mia Protezione policies (retail segment) were taken out.

The volumes disbursed in 2025 for Green purposes are summarised below:

Medium-/long-term loans for GREEN purposes - Volumes disbursed in EUR mln	
Green Mortgages	432
Green Loan	545
Sustainability Linked Loan	843
TOTAL	1,820

Upstream value chain

The Group is committed to maintaining high standards in supplier selection and management, with the aim of promoting compliance with environmental criteria throughout the supply chain. The Group adopts an ordinary supplier selection process aimed at verifying the reliability and quality of purchased products and services, while at the same time pursuing competitive economic conditions in compliance with environmental sustainability principles. In particular, the selection is carried out through a structured process that specifically assesses whether the counterparty has ESG certification, including environmental certification, by asking specific questions, during the pre-selection, award and contract finalisation stages.

In this way, supplier companies are assessed through a predefined qualification process, based on analysis of potential capacity for meeting the requirements of financial soundness, competitiveness and quality, and possession of main environmental certifications.

At the same time, at Group level, annual checks are carried out to verify any updates in the documentation provided by suppliers, monitoring continued compliance with the obligations undertaken at the registration stage.

To this end, the Group has assigned the Purchasing Department the priority task of collecting and verifying the necessary documentation, ensuring that the requirements for inclusion in the Group's Supplier Register are met.

Climate change targets

[E1-4]

Own operations

Since 2012, the Group has embarked on a structured path to reduce its own climate-altering emissions, aimed at limiting the impact of business activities on climate change and consistent with a scientific approach to decarbonisation. Over the years, progressive targets have been defined for the reduction of direct and indirect emissions: initially, the target was to reduce Scope 1 emissions by 60% by 2026 (compared with 2017) and to use electricity sourced 100% from renewable sources, followed by the definition – in the 2024-2028 Industrial Plan – of the target of achieving **net zero emissions (Net Zero Operations)** for **Scope 1 and Scope 2 market--based emissions** by 2030.

To achieve these milestones, the Group adopted concrete measures to improve energy efficiency and reduce the use of fossil fuels, progressively promoting the replacement of diesel with lower-emission sources, as well as the procurement of energy from renewable sources. The year **2017** was identified as the baseline year for defining and monitoring the targets.

As at 31 December 2025, the Group recorded a **90% reduction in direct Scope 1 emissions compared with the baseline**, significantly exceeding the target set. This result stems both from a **49% reduction in total fossil fuel consumption** and from the elimination of the use of oil in favour of less impactful fuels. Moreover, for a residual portion of "hard-to-abate" emissions, the Group uses carbon credits, offsetting in 2025 **100% of the emissions deriving from natural gas**.

With reference to indirect emissions from purchased energy, in 2025 the target of procuring approximately **100% renewable electricity** was achieved, resulting in the elimination of **Scope 2 market-based emissions**. Energy efficiency initiatives also enabled a 38% reduction in energy consumption compared with 2017, with a **36% reduction in Scope 2 location--based emissions**.

The commitment to mitigating climate impact also translated into infrastructure investments with a reduced environmental impact. In 2025, Magazzini Generali Fiduciari Mantova completed the construction, within the Suzzara (MN) industrial complex, of a **new 1,800 m² maturation warehouse**, designed with highly sustainable construction solutions: a **thermal transmittance index** below the regulatory limits, and a **Fire Resistance Index (RAE)** significantly above the legal requirement, ensuring greater energy efficiency and safety in the event of fire.

At the same time, the company approved the expansion of energy production from solar sources. On **24 October 2025**, an investment was approved for the installation of a new **304 kWp photovoltaic system**, located on the roof of warehouse B, capable of producing approximately **340,000 kWh/year**, intended almost entirely for self-consumption. This capacity adds to the energy production of existing photovoltaic systems (approximately 600,000 kWh/year), bringing total production to **0.9 GWh/year**, sufficient to cover around two thirds of the site's future energy needs.

The results achieved are supported by a consolidated and certified environmental management system: since 2003, the Group has adopted an **Environmental Management System compliant with ISO 14001**, maintained over the years through continuous performance improvement. Since 2009, energy management has been entrusted to a **qualified Energy Manager**, responsible for coordinating efficiency initiatives, reducing consumption and monitoring energy performance. Further information on climate change management policies is provided in the dedicated section of this chapter.

In terms of environmental management, compliance with the '231 Model' means that all those operating on behalf of the Group's banks comply with the obligations laid down in the Environmental Management System (EMS) and consistently operate in compliance with all environmental protection rules.

Particular attention is paid to those relating to waste management and water discharges, as well as the management of installations containing controlled substances. Active measures are in place for the containment of waste production and pollutant emissions.

Downstream value chain

The Group has embarked on a path of gradual alignment with the objectives of the Paris Agreement, steering the credit portfolio towards a trajectory compatible with limiting global warming to 1.5°C and, to this end, has defined interim **2030 financed emissions** reduction targets for the priority high-emission sectors: **Aluminium, Cement, Coal, Iron & Steel, Oil & Gas, Power Generation**. The targets relating to Cement and Aluminium were defined in 2024 and communicated in February 2025; for the Coal sector, the target is expressed in terms of financial exposure.

The target-setting process was structured in two phases: the first, completed in August 2023, concerned the publication of targets for Oil & Gas, Power Generation, Iron & Steel and the coal sector phase-out target; the second, completed in February 2025, extended the definition of NZBA targets to the Cement and Aluminium sectors and introduced interim management targets for the other non-priority sectors.

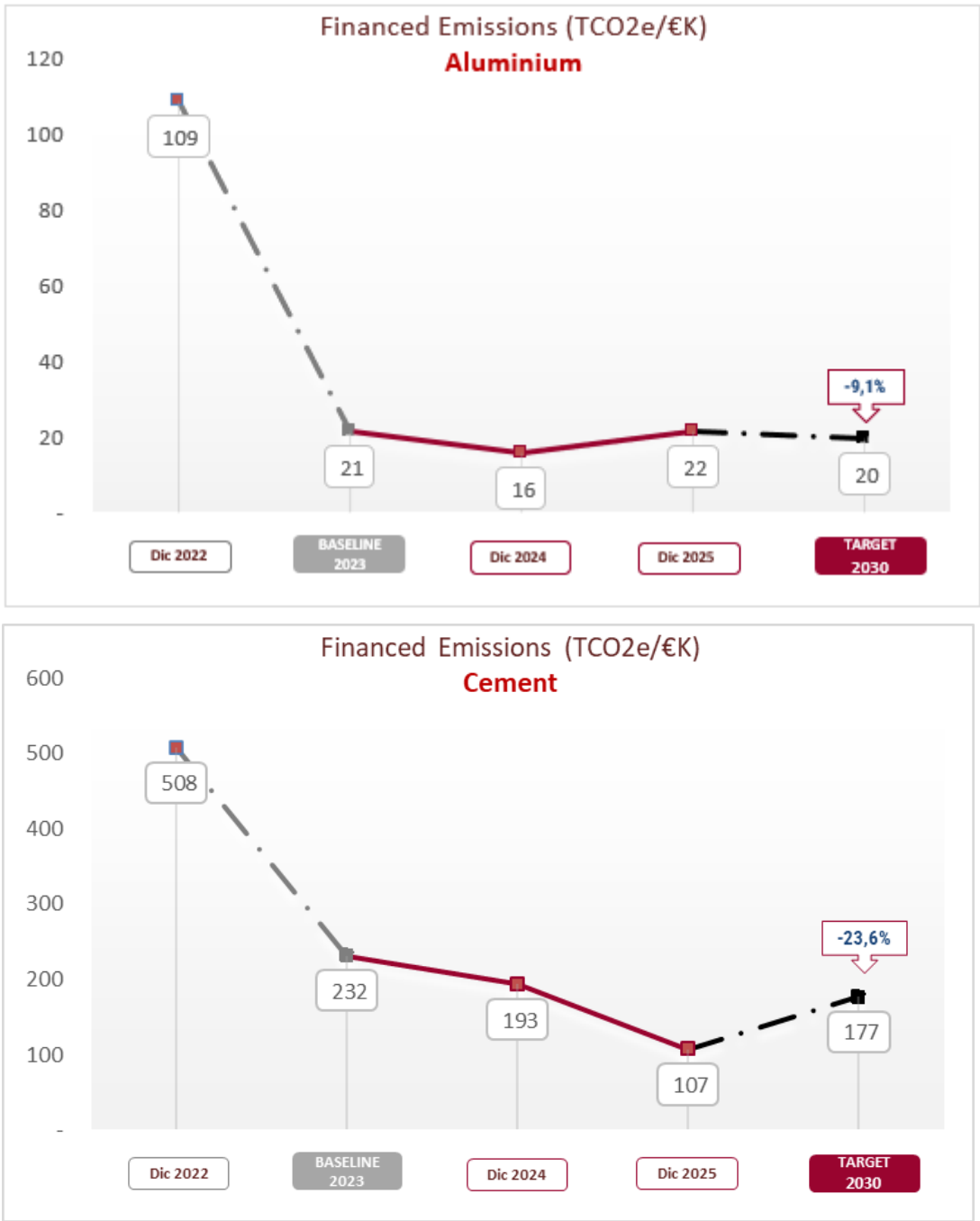
The target-setting framework first involved a detailed analysis of the portfolio of non-financial corporates, based on an assessment of counterparties' emissions profile, the quality and availability of data and sector characteristics in relation to the transition. Based on these analyses, the high-emission sectors were identified and the related reference scopes were defined through **NACE** coding, including upstream and downstream activities and, for some sectors, also Scope 3 emissions. The baseline was calculated using emissions data provided by an external provider for all counterparties included in the financing perimeter.

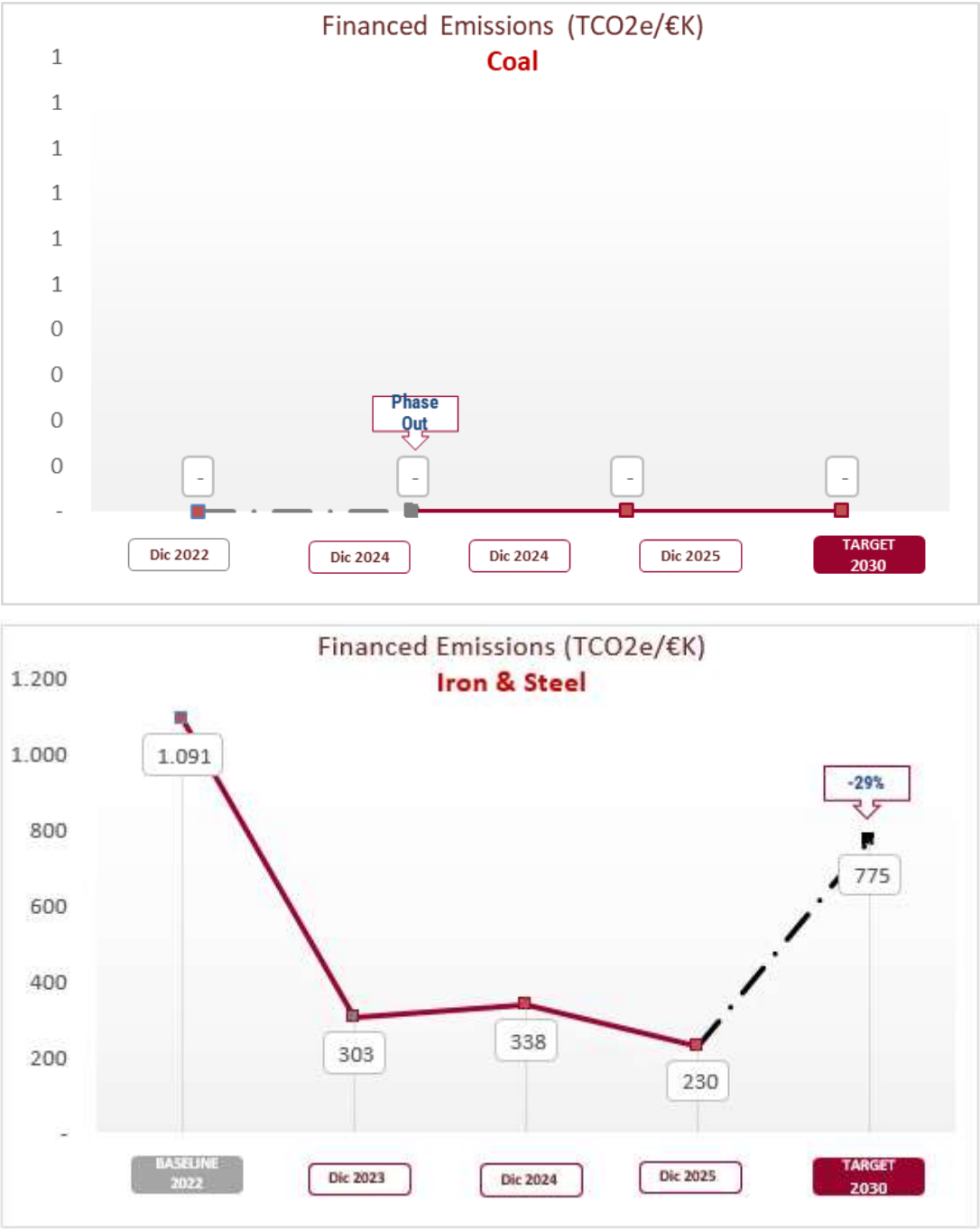
The emissions trajectories were defined using internationally recognised climate scenarios: the **NGFS Net Zero 2050 scenario** for Oil & Gas, Power Generation and Iron & Steel (2022 baseline) and the **IEA NZE2050 scenario** for Cement and Aluminium (2023 baseline), depending on sector-specific features.

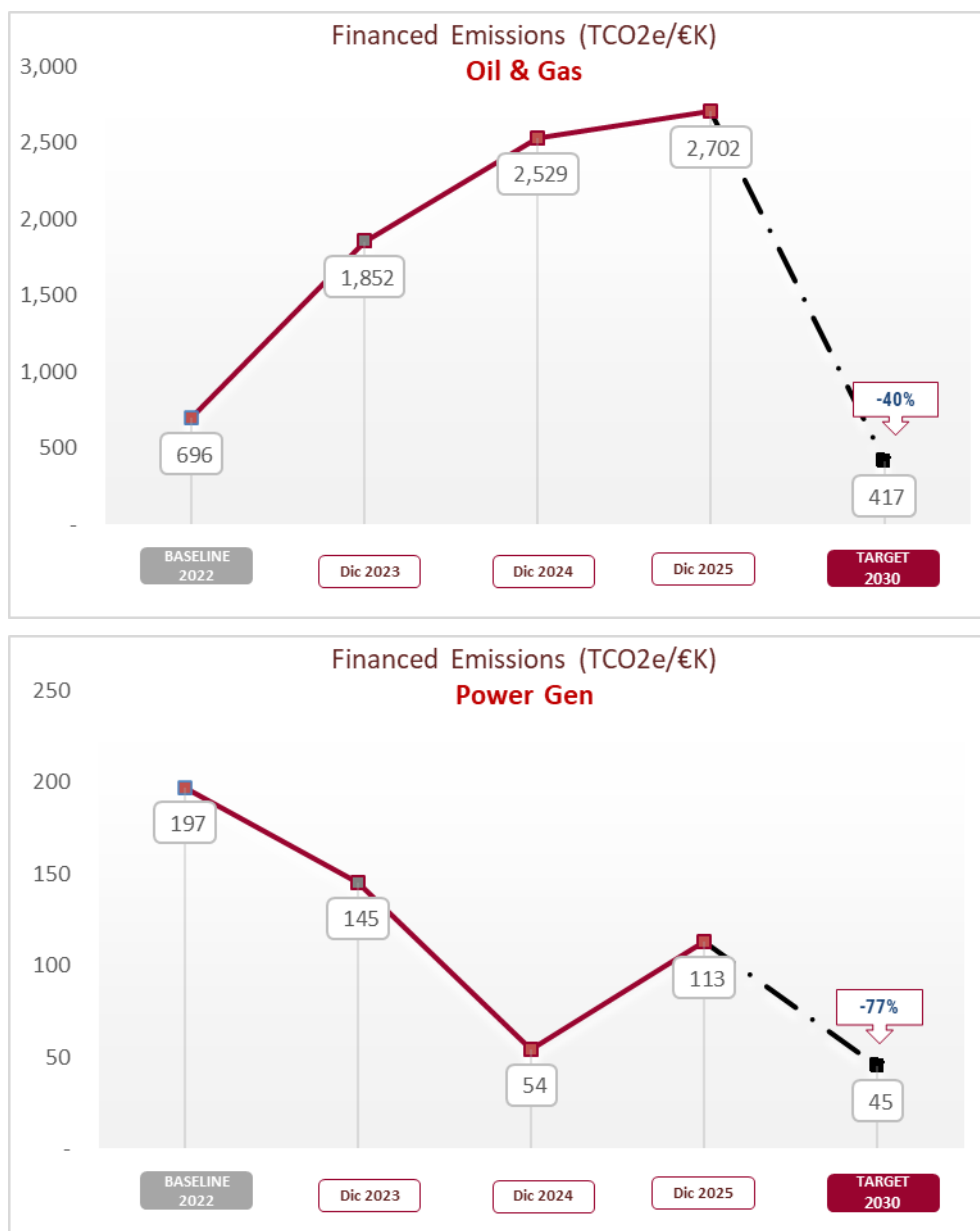
For all sectors, **financed emissions** were calculated in accordance with the **PCAF** methodology, using the Business Loans and Unlisted Equity asset class, considered the most representative of the corporate portfolio. The related **Data Quality Score** is determined according to the PCAF scale, based on the reliability and availability of emissions and financial data. The analyses use internal financial data and emissions data provided by a specialist provider, while the calculation of financed emissions is based on the portfolio's **gross carrying amount**, in line with PCAF standards and the commitments undertaken as part of the NZBA.

The 2030 targets were defined using the metric of absolute financed emissions, following the Net Zero sector classification, and were set relative to the Baseline; they are calculated as the sum of the counterparty's financed emissions.

The following shows the trend of the decarbonisation targets set by the Group in line with the NZBA framework for the high-emission sectors identified as priorities.







The priority high-emitting sectors with NZBA targets show positive progress against the targets set, with the exception of the Oil & Gas sector, which is characterised by a more complex and slower decarbonisation pathway than that required to meet the 2030 target of a -40% reduction, due to high investment costs, dependence on still immature technologies, persistently high global demand for fossil fuels, and regulatory uncertainties, all of which contribute to slowing its pace of transition compared with industrial sectors/segments that can be decarbonised more easily.

In this context, during 2026, in light of an improvement in the quality of data on counterparties' emissions profile, a review of the target and the related baseline has been planned, in line with the guidelines of the NZBA framework and developments in the external context. Monitoring and engagement with the highest-emitting counterparties will also be strengthened in order to gather information, analyse their Transition Plan, and integrate the assessment of their ESG profile so as to guide credit strategy and the type of financing.

The MPS Group continues to support the phase-out of the Coal sector, which continues to show zero exposures (see Chart 1). The Iron & Steel sector shows a financed-emissions reduction trend as at 2025 that is well ahead of the 2030 target of -29% (see Chart 4), while the Power Generation sector, although down compared with the baseline, recorded an overall increase in financed emissions during 2025, while nevertheless remaining in line with the 2030 target of a -77% reduction (see Chart 6).

The Aluminium and Cement sectors, which have been added to the other 3 sectors (Oil & Gas, Iron & Steel and Power Gen) among the high-emission NZBA sectors for which an interim 2030 target has been defined and communicated, respectively of -9.1% and -23.6%, show a positive trend compared with the 31 December 2023 baseline and are in line with the above targets (see Charts 1 and 2).

To support the overall decarbonisation strategy for these sectors, the Group, as illustrated in the paragraph on the transition plan, introduced new transition guidelines at the beginning of 2024, including exclusion criteria for financing activities linked to unconventional Oil & Gas or new fields. At the same time, active engagement with emission-intensive counterparties was initiated, with the aim of supporting their transition through financing linked to emission reduction KPIs and the development of renewable energies, and the strict monitoring of exports to this sector was started.

In line with the NZBA framework guidelines, the targets will be reviewed at least every five years, or earlier if necessary, based on developments in the data set or the scenarios adopted, ensuring that they remain appropriate in light of scientific and regulatory developments. The Group will continue to monitor emissions performance and promote significant investments in clean energy and innovative solutions for the transition.

In order to achieve its strategy and NZBA decarbonisation targets, and to support its customers' broader sustainable transition, the Group has defined the following objectives within the 2024 - 2028 Industrial Plan:

- to reach 7.6% of green loans out of total lending to NZBA sectors (in stock terms) by 2028, in order to support customers in high-emission sectors in the transition to a net zero economy through the disbursement of green finance;
- to achieve 30% of ESG volumes disbursed out of total annual volumes disbursed by 2028, in order to promote the transition to a sustainable, net zero economy. At the end of 2024, the Group reported that 18% of loans disbursed was for ESG purposes out of total annual volumes disbursed, for a total of EUR 1,858 mln, of which EUR 904 mln for *green* purposes and EUR 954 mln for *social* purposes;
- to achieve 25% Green and Social Bond issuance out of total issuance over the 2024-2028 period: during 2024, the Group issued social bonds for EUR 750 mln, equal to 25% of total issuance.

The identification of these objectives takes account of the factors analysed following the adoption of the policies, including the assessments deriving from stakeholder views.

Upstream value chain

To date, the Group has not defined specific climate change management targets along the upstream value chain.

However, the effectiveness of the policies and actions adopted in this area is ensured through the monitoring of specific indicators, in order to ensure supply chain management consistent with the principles of environmental sustainability. In this regard, verification, in the years following the initial contract award, of the continuing fulfilment of the requirements for inclusion in the Group Supplier Register, together with the checks carried out by the control and audit functions, ensures the effectiveness of the policies and actions undertaken.

During 2025, 100% of new suppliers, equal to 230 in total, corresponding to about twice as many as in 2024, were assessed according to environmental criteria in line with international standards, highlighting a significant strengthening of supply chain qualification and monitoring processes.

Metrics

Energy consumption and mix

[E1-5]

Data on energy consumption at the end of 2025 were collected from each Group company for each building included in the scope of consolidation. Moreover, the data include, in addition to the standard consumption of natural gas, electricity, heat, steam and cooling, fuel consumption (including electricity, although currently extremely marginal) for company cars and company cars provided as a fringe benefit (appropriately weighted) used by Group employees, as well as diesel used for heating. The data reported refer to energy consumption in MWh related to its own operations and were expressed from the documentation made available by the suppliers of the individual services reported (reports, invoices, etc.).

Energy consumption and mix	2025			2024	2024vs2025
	Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a)-(b)		
1) Consumption of fuel from coal and coal products (MWh)	0.00	0.00	0.00	0.00	0.00
2) Fuel consumption from crude oil and petroleum products (MWh)	8,558	2,157	6,401	7,007	-8.6%
3) Fuel consumption from natural gas (MWh)	29,537.69	559.00	28,978.69	29,747.00	-2.6%
4) Fuel consumption from other non-renewable sources (MWh)	-	-	-	-	-
5) Consumption of electricity, heat, steam and cooling from fossil sources, purchased or acquired (MWh)	1,338.36	112.00	1,226.36	1,211.00	1.3%
6) Total energy consumption from fossil sources (MWh) (sum of rows 1 to 5)	39,434	2,828	36,606	37,966	-3.6%
Share of fossil sources in total energy consumption (%)	0.29	0.02	0.28	0.28	0.0%
7) Consumption from nuclear sources (MWh)	543	-	543	506	7.3%
Share of nuclear sources in total energy consumption (%)	-	-	-	-	-
8) Fuel consumption for renewable sources, including biomass (also includes industrial and municipal waste of biological origin, biogas, renewable hydrogen, etc.) (MWh)	-	-	-	-	-
9) Consumption of electricity, heat, steam and cooling from renewable sources, purchased or acquired (MWh)	97,144.64	4,940.00	92,204.64	96,144.00	-
10) Consumption of self-produced renewable energy without fuel (MWh)	781	-	781	707	-
11) Total energy consumption from renewable sources (MWh) (sum of rows 8 to 10)	97,925.85	4,940.00	92,985.85	96,851.00	-4.0%
Share of renewable sources in total energy consumption (%)	71%	4%	71%	72%	-
Total energy consumption (MWh) (sum of rows 6, 7 and 11)	137,903.07	7,768.21	130,134.86	135,322.00	-3.8%

2025	Monte dei Paschi di Siena Group S.p.A.	PARENT COMPANY MONTE DEI PASCHI DI SIENA S.P.A.	WIDIBA WISE DIALOG BANK SPA	MONTE PASCHI FIDUCIARIA S.P.A.	MPS TENIMENTI POGGIO BONELLI E CHIGI SARACINI SOCIETA' AGRICOLA SPA	MAGAZZINI GENERALI FIDUCIARI DI MANTOVA SOCIETA' PER AZIONI	MPS BANQUE	MEDIOBANCA
Renewable Electricity with Guarantee of Origin or other Certification [MWh]	96,533.65	88,489.98	2,152.08		181.067	770.516		4,940.00
Total Electricity	98,141.06	88,694.06	2,152.08		224.142	1362.775	656	5,052.00
% Renewable Electricity with Guarantee of Origin or other Certification [MWh]	98.36%	99.77%	100.00%		80.78%	56.54%	0.00%	97.78%

2025	Monte dei Paschi di Siena Group S.p.A.	PARENT COMPANY MONTE DEI PASCHI DI SIENA S.P.A.	WIDIBA WISE DIALOG BANK SPA	MONTE PASCHI FIDUCIARIA S.P.A.	MPS TENIMENTI POGGIO BONELLI E CHIGI SARACINI SOCIETA' AGRICOLA SPA	MAGAZZINI GENERALI FIDUCIARI DI MANTOVA SOCIETA' PER AZIONI	MPS BANQUE A	MEDIOBANC A
Renewable electricity with Guarantee of Origin or other certification or self-generated without fuel [MWh]	97,314.86	88,635.85	2,152.08		224.142	1362.775		4,940.00
Total Electricity	98,141.06	88,694.06	2,152.08		224.142	1362.775	656	5,052.00
% of renewable electricity with Guarantee of Origin or other certification or self-generated without fuel [MWh]	99.16%	99.93%	100.00%		100.00%	100.00%	0.00%	97.78%

Energy intensity based on net revenues

Energy intensity versus net revenue	2025			2024	2024vs2025
	Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a)-(b)		
Total energy consumption from activities in high climate impact sectors (MWh)	3,094.33	-	3,094.33		
Net revenues from activities in high climate impact sectors (EUR thousand)	5,639	-	5,639		
Total energy consumption of activities in high climate impact sectors compared to net revenues from these activities (MWh/Mgl euro)	54.87%	-	54.87%	56.80%	1.93%

The possible inclusion of the Group's activities among the high-impact sectors was carried out by verifying the correspondence of the ATECO/NACE sectors of the Parent Company and its subsidiaries to the sectors listed in Annex I, Sections A to H and L of Regulation 1893/2006. The analysis led to the classification of the following subsidiaries as falling within the scope of sectors with high climate impact: MPS Tenimenti, MPS Magazzini Fiduciari Mantova, the two subsidiaries of Monte Paschi Banque, namely Monte Paschi Conseil France Société par Actions Simplifiée and Immobiliere Victor Hugo s.c.i., and two subsidiaries of the Mediobanca Group, namely Mediobanca International Immobiliere S.A.R.L. and CMB Real Estate Development S.A.M. In detail:

- MPS Tenimenti - Grape Growing (01.21);
- MPS Magazzini Fiduciari Mantova - Warehousing and Storage (52.10);
- Monte Paschi Conseil France Société par Actions Simplifiée - Real estate brokerage agencies (68.31);
- Immobiliere Victor Hugo s.c.i. - Management of real estate for third parties (68.32).
- Mediobanca International Immobiliere S.A.R.L. (771);
- CMB Real Estate Development S.A.M.. (801)
-

Reconciliation of net revenues from activities in high climate-impact sectors

Below is a reconciliation of the net revenues from activities in high climate-impact sectors used to calculate the energy intensity rate with the relevant disclosure in the Consolidated Financial Statements:

EUR thousands	2025			2024
	Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a)-(b)	
Net revenues from activities in high climate impact sectors used to calculate energy intensity	5,150	7	5,143	5,709
Net revenue (companies not operating in high-impact sectors)	7,662,126	1,440,987	6,221,138	6,917,318
Net revenue non-current assets held for sale and disposal groups (balance sheet)	35,892	-	35,892	50,042
Total net revenue (balance sheet)	7,631,384	1,440,994	6,190,390	6,872,985

The Group obtained revenues for activities in high-impact sectors from the following line items:

- Line item 10: Interest income and similar revenues;
- Line item 40: Fee and commission income;
- Line item 70: Dividends and similar income;
- Line item 80: Net profit (loss) from trading (of which consolidated gains from trading of EUR 13,782.8 mln);
- Line item 90: Net profit (loss) from hedging (of which consolidated hedging income of EUR 2,867.2 mln);
- Line item 100: Gains (losses) on disposal/repurchase (of which consolidated profit of EUR 114.6 mln);
- Line item 110: Net profit (loss) from other financial assets and liabilities measured at fair value through profit and loss (of which consolidated gains from realisation of EUR 46.2 mln);
- Line item 160: Insurance service result (of which insurance revenue of EUR 6.9 mln)
- Line item 170: Net balance of financial income and expenses relating to insurance business
- Line item 230: Other operating income/expenses (positive components only);
- Line item 250: Gains/Losses on equity investments (only positive components);
- Line item 280: Gains (losses) on disposal of investments (positive components only).

Gross Scope 1, 2, 3 Greenhouse Gas Emissions (GHG)

[E1-6]

In continuity with the previous year, with regard to own emissions, the Group maintained the scope of operational emissions (Scope 1 and Scope 2), applying the operational control criterion, in line with the requirements of ESRS E1 and the GHG Protocol Corporate Standard.

In particular, all entities and sites over which the Bank has the power to introduce and implement operational policies were included within the reporting perimeter, irrespective of the ownership interest held.

A consistency check was also performed between the statutory scope of consolidation and the perimeter relevant for GHG purposes, in order to ascertain the possible presence of entities that are not consolidated but are subject to operational control. This analysis did not identify any cases requiring an extension of the perimeter compared with what was reported.

For the calculation of own issues, taking into account that the Group's reporting period is aligned with the entities in the value chain, there were no significant events or changes occurring between the reporting date of the entities included in the value chain of the Group and the reporting date and this Sustainability Statement.

Total GHG emissions disaggregated by Scope 1 and 2 and by significant Scope 3 categories	2025			2024
	Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a) - (b)	
Scope 1 GHG emissions	-	-	-	
Gross Scope 1 GHG emissions (tCO ₂ eq)	8,305	765	7,540	9,341
Percentage of Scope 1 GHG emissions covered by regulated emissions trading schemes (%)	-	-	-	
Scope 2 GHG emissions	-	-	-	
Gross location-based Scope 2 GHG emissions (tCO ₂ eq)	25,307	1,260	24,047	29,924
Gross market-based Scope 2 GHG emissions (tCO ₂ eq)	290	25	265	244
Significant Scope 3 GHG emissions	-	-	-	
Total gross indirect GHG emissions (Scope 3) (tCO ₂ eq)	35,674,007	13,520,991	22,153,017	20,398,726
1. Goods and services purchased	269,636	21,791	247,845	72,258
2. Capital goods	20,566	2,228	18,338	5,523
3. Fuel- and energy-related activities (not included in Scope 1 or 2)	3,697	502	3,195	3,274
4. Upstream transportation and distribution	13	-	13	11
5. Waste generated in operations	10	-	10	6
6. Business travel	1,429	447	982	749
7. Employee commuting	-	-	-	-
8. Upstream leased assets	-	-	-	-
9. Downstream transportation	12	-	12	11
10. Processing of sold products	-	-	-	-
11. Use of sold products	-	-	-	-
12. End-of-life treatment of sold products	-	-	-	-
13. Downstream leased assets	3,149	333	2,816	3,129
14. Franchising	-	-	-	-
15. Investment	35,375,495	13,495,690	21,879,805	20,313,765
Total GHG emissions	-	-	-	
Total location-based GHG emissions (tCO ₂ eq)	35,707,620	13,523,016	22,184,604	20,437,991
Total market-based GHG emissions (tCO ₂ eq)	35,682,603	13,521,781	22,160,822	20,408,311

It should be noted that, for the purposes of calculating Scope 3 emissions, estimates were used for 99.98%.

The Group remains committed, in line with the 2024-2028 Industrial Plan targets, to using approximately 100% energy from renewable sources, for utilities registered in the Group's name, through the purchase of guarantees of origin. Compared with total electricity consumption, in 2025 the share of renewable electricity certified through guarantees of origin was 99%. As at 31 December 2025, the Group had no biogenic CO₂ emissions deriving from the combustion or biodegradation of biomass in Scope 1, Scope 2, and Scope 3.

Methodology for calculating direct and indirect own emissions (Scope 1 and 2) and Scope 3 indirect emissions

Scope 1 and Scope 2

For the purpose of calculating direct Scope 1 and indirect Scope 2 emissions for 2025, conversion factors from the "ABI Lab Guidelines" (December 2025 version) were used. The gases included in the calculation - and specified in the Guidelines - are CO₂, CH₄, N₂O. In addition, for the purpose of calculating CO₂ equivalent emissions, the emission factors contained in the ISPRA document "Italian Greenhouse Gas Inventory 1990 - 2022 - National Inventory Report 2024" were used, while for CH₄ and N₂O, the Global Warming Potential (GWP) was used, as reported in the IPCC report "Climate Change 2021: The Physical Science Basis", as indicated by ABI in the document "ABI Lab Guidelines" (December 2025

version). For cars for personal and business use, the value is equivalent to the total litres consumed multiplied by a coefficient of 0.70 (% of company use of cars subject to fringe benefits).

To calculate indirect Scope 2 emissions, consistent with the Location-Based methodology, the contribution of the average emission factors of the distribution network used by the organisation was considered. Therefore, the total amount of electricity purchased, from renewable and non-renewable sources, is considered in the calculation of emissions. To calculate indirect Scope 2 emissions, in accordance with the Market-based methodology, related to the Group's own electricity consumption, the contribution of specific emission factors related to the contractual forms used for purchasing adopted by the organisation was considered. In this case, the amount of electricity covered by the guarantee of origin will have an emission factor of 0.

To calculate direct Scope 1 and indirect Scope 2 emissions of the subsidiary Monte Paschi Banque, the methodology set out in the ADEME Guide was used, based on the data for the 3 scopes collected annually by the Group's functions in charge of this matter and applying an emission factor to each element of the data collected to determine the value of greenhouse gas (GHG) emissions.

Scope 3

The following categories (GHG Protocol) were included in the calculation of the Group's indirect Scope 3 emissions:

Category 1 - purchased goods and services

The reporting of emissions relating to the purchase of goods and services covers all companies within the consolidated scope and is based on aggregation by suppliers' NACE codes and invoiced amounts. Amounts were converted into emissions using EEIO coefficients, in line with spend-based methodologies. Sectors related to electricity generation, gas and fuel trading were excluded, as those emissions are already covered in the Group's Scope 1 and Scope 2.

Category 2 - Capital goods

Emissions deriving from capital goods were calculated only for MPS Parent Company on the basis of the fixed assets recorded in the fixed assets register, considering exclusively purchases made during 2025. A NACE code was assigned to each fixed asset based on its economic nature, allowing EEIO coefficients to be applied to the related carrying amounts and thus emissions to be calculated using the spend-based methodology.

Category 3 – Fuel- and energy-related activities not included in Scope 1–2

This category takes account of all companies within the consolidated scope for the calculation of emissions deriving from energy consumption relating to properties used by the Group but not subject to operational control, in particular common condominium areas. For such properties, where direct consumption data were not available, an estimate was prepared based on reimbursed costs and national average values for energy commodities. Direct or estimated consumption was converted into emissions using DEFRA emission factors updated for 2025.

Category 4 – Upstream transport and distribution

Emissions relating to upstream transportation and distribution concern only MPS Tenimenti, because it was not possible to isolate the Group's transportation costs in their entirety, as these are included within supply costs and therefore, for the other companies, such emissions are already included in Category 1. The calculation was carried out by applying the spend-based method, based on multiplying transportation costs incurred by the Eurostat EEIO coefficients relating to land transport and pipeline transport services.

Category 5 - Waste

Emissions deriving from waste management are calculated using consolidated Group data on quantities generated, broken down by type and disposal method. These quantities were multiplied by the corresponding DEFRA 2025 emission factors for Waste Disposal processes.

Category 6 - Business travel

Emissions associated with the Group's business travel include the mileage of company vehicles, broken down by fuel type, employees' cars used for business travel, short-term hire cars, as well as staff rail and air travel. These distances travelled were aggregated and converted into emissions by applying DEFRA 2025 emission factors specific to land transport and to air and rail routes.

Category 9 - Downstream transport

As with upstream transport, emissions relating to downstream transport also concern only MPS Tenimenti and MPS Banque, the only company for which transportation costs are available separately. The calculation is based on the spend-based method using transportation costs and the relevant Eurostat EEIO coefficients.

Category 13 - Downstream leased assets

For owned properties leased to third parties, the share of energy consumption attributable to tenants was estimated on the basis of surface area, climatic zone and type of use. The property portfolio was divided into four categories – tertiary, garage/warehouse, industrial and residential – each of which was associated with specific consumption coefficients derived from national benchmarks, company average values and, where available, consumption data provided by the users themselves. Energy consumption was converted into emissions by applying the factors provided for in the ABI Lab Guidelines (December 2025) using the location-based methodology for electricity.

Category 15 – Loans and investments

In 2025, the Bank expanded the asset classes included in the scope for calculating financed emissions for the loan portfolio to include the asset classes relating to residential mortgages and commercial real estate. The figure relating to Mediobanca includes the asset classes relating to: Loans and Advances, residential mortgages and motor vehicle financing.

The Group retained the methodology adopted for calculating funded emissions, verifying its consistency with the PCAF Guidelines (2022 version), which were also applied in the previous financial year. With a view to progressive methodological improvement, the Bank plans to assess during the next financial year the adoption of the PCAF 2025 Guidelines, published during the current year, as well as greater integration with the calculation methodologies and models adopted by the Mediobanca Group, in order to strengthen the consistency and uniformity of the funded emissions measurement process. Any expansions of the reporting perimeter will be assessed in this evolving context.

In detail, the methodologies applied to the individual reported asset classes are as follows:

Loans & Advances

The estimate of funded emissions relating to the Loans & Advances portfolio was developed in accordance with the PCAF guidelines and consistent with the disclosure requirements set out in the ESRS standards, including within the perimeter only exposures to Italian non-financial companies, while exposures to financial companies and non-Italian counterparties were excluded. For processing purposes, exposure values were measured using the Gross Carrying Amount (GCA) derived from Finrep, while EVIC – Enterprise Value Including Cash – was estimated using total assets or, where that information was not available, total indebtedness, based on the detailed data provided by the external provider. The counterparties' absolute emissions, relating to Scope 1, 2 and 3, are likewise sourced from the external provider and are obtained through a proprietary estimation methodology that combines specific company-reported data with estimates based on NACE criteria, revenues, value added and official emission factors. As regards Scope 1, the estimate is based on sectoral emissions intensity referring to NACE codes and European countries (Eurostat source), further refined using granular ISPRA and ETS Register data. The coefficient thus obtained is recalibrated using the ratio between Eurostat sectoral value added and the value aggregated by the provider, and is then related to revenues; the parameter is then compared with indicators derived from homogeneous samples of companies, where available. Scope 2 is estimated using, on the one hand, electricity consumption data at NACE code level (Terna source) and, on the other, electricity emission factors provided by Enel, while Scope 3 is estimated through a model based on Eurostat's Consumption-Based Accounting Tool, which quantifies total emissions across the production chain, net of the components already included in Scope 1 and Scope 2. Funded emissions are attributed by applying the PCAF Attribution Factor, defined as the ratio between the financing amount and the counterparty's EVIC; attributed emissions are therefore the product of that factor and unit emissions.

Residential Real Estate (RRE)

For loans granted against residential properties, the methodology for estimating funded emissions is based on a simplified LCA approach that considers only emissions connected with on-site fuel combustion and the upstream component, excluding the construction of the systems. Properties lacking reliable energy parameters, such as CO₂ emissions, APE/EPC certificates or non-renewable energy consumption data, as well as properties for which data were incomplete or unverifiable, were excluded from the perimeter; these exclusions account for around 3% of the properties and the related GCA. For the estimate, the databases of residential properties held in the Data Warehouse were integrated, selecting only properties equipped with energy information. Collateral value refers to the appraised value, while the financing amount is measured using GCA. Emissions are assessed using the national energy mix and a matrix of emissions expressed in kgCO₂eq/m², constructed by climatic zone and energy class in accordance with Presidential Decree 412/93 and the APE regulations. The definition of emission factors is based on ISPRA sources, technical reports

on the electricity sector, scientific literature and national statistics on energy consumption, considering an indicative range of 0.20–0.25 kgCO₂eq/kWh for domestic heating powered by non-renewable sources. The LCA analysis combines emission factors by fuel type (natural gas, diesel, LPG, fossil share of electricity), average system efficiencies and weightings based on the actual mix of technologies used for heating. On the basis of national statistics, a central value of 0.25 kgCO₂eq/kWh was adopted, consistent with the natural-gas-dominated mix and adjusted for the residual presence of more emissive fuels and the electricity share. The resulting matrix is organised by APE classes and climatic zones and is used to assign the property's specific emissions. In the calculation process, six alternative data types were considered in hierarchical order: actual emissions reported in the appraisal; APE label; emissions estimated by the provider; APE estimated by the provider; actual non-renewable energy consumption; estimated non-renewable energy consumption, after the prior exclusion of any inconsistent or unrealistic values. Funded emissions are ultimately determined by multiplying the property's specific emissions by the Attribution Factor expressed as the ratio between the financing amount and the property value.

Commercial Real Estate (CRE)

Funded emissions associated with financing secured by non-residential properties (Commercial Real Estate – CRE) were estimated in line with the 2022 edition of the PCAF guidelines, through an integrated approach based on internal and external data and on prudent criteria in managing information gaps. The perimeter includes financing for the purchase of non-residential properties backed by real collateral, excluding unsecured exposures or exposures lacking both credit and property data.

The estimate is based on the integration of four databases: Property database (physical characteristics of the assets), credit relationship database, database of PCAF emission factors updated for the Italian context, and Climate Zones database for territorial matching. Eligible exposures were identified by selecting only secured financing and integrating the databases. Emission factors, referring to 2023 and Italy, are expressed in tCO₂e per property unit, in the absence of surface area data. Where cadastral class was unavailable, the PCAF category "Non-residential – Total" was adopted, constructing a bridging matrix between climatic zones and APE energy classes.

The climatic zone was assigned on a municipal basis, while the energy class was used where available; otherwise, a zero value was assigned. Limited manual integrations concerned the climatic location of two properties, while for eight assets with non-aligned classifications a prudent proxy was applied. For energy class A, in the absence of A1–A4 detail, the A4 subclass was adopted on a conservative basis.

Specific emissions were determined by cross-referencing energy characteristics and emission factors; funded emissions were then calculated by applying the Attribution Factor, equal to the ratio between the financing amount and the property value. In terms of data quality, the absence of surface area resulted in the use of average factors per unit (PCAF Data Quality Score equal to 5). Further elements of uncertainty derive from the absence of cadastral class, incomplete energy classes and limited manual integrations, indicating areas for prospective improvement in the information base.

In addition, as at 31 December 2025, the Group had no biogenic CO₂ emissions deriving from the combustion or biodegradation of the biomass included in Scope 3 emissions.

The following categories were excluded from the calculation of Scope 3 GHG emissions:

- Category 7. Employee commuting;
- Category 8. Upstream leased assets - already included in Scope 1;
- Category 10. Processing of products sold: not material for the Group;
- Category 11. Use of sold products not material for the Group
- Category 12. End-of-life treatment of products sold: not material for the Group;
- Category 14. Franchises which are not material for the Group

Calculation methodology - estimated data focus

Scope 1 and Scope 2 - methodology for estimating consumption

In relation to the scope of reported consumption, details are given of the calculations and estimates made by the Group for the consumption of residual utilities, such as LPG and district heating.

During 2025, additional guidelines from EFRAG are expected regarding reporting, from the lessor's perspective, of emissions deriving from leased assets.

Residual utilities (LPG and district heating)

Some of the Group's properties use LPG or district heating.

The consumption figures for the two sources were taken from the billing documents, however, these still do not cover the entire year being reported.

Therefore, where the monthly consumption value of some months was not available because it had not yet been billed, it was estimated using the missing month/available month ratio of the natural gas source of Parent Company and Banca Widiba. By way of example, December represents 24% of consumption for the months from January to November: where consumption data for the month of December is not available for a utility, this estimation coefficient was applied to the consumption values recorded up to November in order to obtain the total value for the year.

District heating consumption was considered based on whether from renewable or non-renewable sources depending on the individual source of the buildings' systems. In particular, consumption from renewable sources was considered to be provided by the following systems:

- Ferrara - Via Padova 29/31:
energy mix: Renewable
source: primary geothermal hot water
<https://heracomm.gruppohera.it/cambiamenti/cultura-della-sostenibilita/ferrara-citta-calda-per-natura>
<https://www.gruppohera.it/gruppo/attivita/energia/teleriscaldamento>
<https://www.gruppohera.it/gruppo/attivita/energia/i-nostri-impianti>
- Ferrara - Corso della Giovecca 50:
energy mix: Renewable
source: primary geothermal hot water
<https://heracomm.gruppohera.it/cambiamenti/cultura-della-sostenibilita/ferrara-citta-calda-per-natura>
<https://www.gruppohera.it/gruppo/attivita/energia/teleriscaldamento>
<https://www.gruppohera.it/gruppo/attivita/energia/i-nostri-impianti>
- Piancastagnaio – V.le Vespa 12
energy mix: Renewable
source: primary geothermal steam
<https://www.comune.piancastagnaio.si.it/home/amministrazione/rete-di-teleriscaldamento.html>
- Monterotondo Marittimo – Via L. Bardelloni 62:
energy mix: Renewable
source: primary geothermal steam
<https://www.comune.monterotondomarittimo.gr.it/home/servizi/servizio~e28f204c-577c-47d5-a2aa-2f61e3b6574d~.html>
- Pomarance – P.za Sant'Anna 4:
energy mix: Renewable
source: primary geothermal steam
<https://www.geoenergyservice.it/impianto/>

Regarding the last two properties, as billing is on a lump sum basis, no consumption data are available. Therefore, the data were estimated starting from the indoor surface area to which the average Bank value of 66.66 MWh/m² was applied.

Indirect Scope 3 category 15 emissions - estimation methodology

For the calculation of counterparties' funded emissions (Scope 1, Scope 2, Scope 3), the absolute emissions data of counterparties are provided by an external provider and are calculated on the basis of the provider's own proprietary estimation methodology. In general, the counterparty emissions data can be:

- accurate, e.g. directly reported by the company in publicly available corporate reports (Sustainability Statements);
- estimated using the following approach:

Scope 1

The calculation procedure is based on official data from a public source (Eurostat) on emissions intensity, expressed in tonnes of CO₂ per € of value added, by NACE code and by EU country. This figure is further refined using, where available, more granular data on emissions by more detailed NACE/ATECO codes (source: Ispra/Register of the Union for the Emissions Trading Scheme). This factor is then benchmarked to revenues through a recalibration procedure that firstly requires calculation of the ratio between value added for the sector provided by Eurostat and the value added for the sector calculated by the external data provider, aggregating separate financial statements by sector and, lastly, applying the ratio between value added and revenues, again at sector level. The resulting figure is then further refined by comparison with a similar indicator calculated on the average data of the sample of businesses operating in the same sector starting from accurate data, when standardised and statistically significant samples are available.

Scope 2

Scope 2 emissions data are estimated using the following figures:

- Electricity consumption (in MWh) at 2-figure NACE code level (source: Terna);
- Conversion factor, adopted to convert electricity consumption into CO₂ emissions (in tonnes of CO₂ eq./GWh) (source: ENEL).

Scope 3

Scope 3 emissions are estimated using a data provider method, adapted from the Eurostat⁵⁰ consumption-based account tool that estimates the (total) emissions of the entire chain of a given product, adjusted to take into account emissions associated with intermediate (unfinished) goods. From the total emissions, Scope 3 emissions are then calculated by deducting Scope 1-2 emissions.

GHG intensity based on net revenues and reconciliation

GHG intensity in relation to net revenue (in euro thousands)	2025			2024	2024vs2025
	Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a)-(b)		
Total GHG emissions (position-based) versus net revenues (tCO ₂ eq/Mgl euro)	0.001	-	0.001	2.952	-95.5
Total GHG emissions (market-based) versus net revenues (tCO ₂ eq/Mgl euro)	0	-	0	2.948	-96.7
Reconciliation					
Net revenue used to calculate GHG intensity	7,667,275	1,449,012	6,218,263	6,923,027	
Net revenue (other)	-	-	-	-	
Net revenue non-current assets held for sale and disposal groups (balance sheet)	35,892	-	35,892	50,042	
Total net revenue (on balance sheet)	7,631,384	1,449,012	6,182,372	6,872,985	

⁵⁰ See the Consumption-based accounting tool; Eurostat [www.Home - Eurostat (europa.eu)]

GHG removals and GHG mitigation projects financed with carbon credits

[E1-7]

In 2025, the Group offset emissions arising from the use of 2.833 million scm of natural gas, equal to around 100% of the total natural gas consumption of Banca MPS and Banca Widiba, through the purchase of VER credits for participation in the project known as Karcham Wangtoo Hydroelectric Plant (VCS-1742), developed by Jaypee Karcham Hydro Corporation. The project has constructed a hydroelectric power plant to provide renewable source energy to the Indian power grid. The Indian grid operates with a mix of hydroelectric, nuclear and fossil fuel power plants. Construction of this system has allowed a reduction in anthropogenic greenhouse gas (GHG) emissions that would have been generated to supply energy to the grid using fossil fuels (over 70% of energy in India's northern electricity grid is obtained from fossil fuels). The verification standard adopted for the project is VCS (Verified Carbon Standard) by Verra, a global leader, that supports measurable climate action and sustainable development outcomes by driving large-scale investment in activities that reduce emissions, improve livelihoods and protect nature.

The current plan, although published before the ESRS entered into force, is **substantially aligned** with the new European standards. No **external certification** (such as SBTi) has been envisaged and there is currently no formal document describing the methodology adopted in detail, although it has been shared with the competent structures.

No removal mechanisms are included, but the use of **Verra-certified VER carbon credits** is envisaged to offset **100% of natural gas emissions** in 2025.

The **2025 Sustainability Plan** already includes actions to reduce Scope 1 emissions and energy consumption. The plan is updated **annually** so as to progressively refine targets and tools.

Carbon credits written off in the reference year	2025			2024
	Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a)-(b)	
Total (tCO ₂ eq)	11,356	5,608	5,748	4,064
Share from absorption projects (%)	-	-	-	-
Share from reduction projects (%)	100	100	0	100
Recognised quality standard 1 (%)	100	100	-	-
Share from projects within the EU (%)	-	-	-	-
Share of carbon credits that can be considered matching adjustments (%)	-	-	-	-
Carbon credits expected to be written off in the future				2024
Total (tCO ₂ eq)	6,538	790	5,748	-

The Scope 1 emission reduction target published in the 2022-2024 business plan includes support for the purchase of carbon credits to achieve it. Carbon credits are needed to offset the share of hard-to-abate emissions.

ESRS E5 - Resource use and circular economy

This section sets out, with regard to the management of resource use and the circular economy, the policies and actions adopted to manage the topic, seize the relevant opportunities, as well as the processes through which the Group monitors the effectiveness of its policies and actions.

The information reported is directly related to and dependent on the specific elements (in terms of opportunities) identified as material following the double materiality analysis (further details are provided in the Double Materiality Analysis section of this document).

Detailed information on the material topics (together with evidence of the relevant segment of the value chain and the time horizon) is provided in the dedicated table (also included in the section Double Materiality Analysis).

With reference to the various initiatives and lines of action illustrated later in this section, it should be noted that the Group has provided for specific investments and the allocation of dedicated resources to support their definition and development.

Based on assessment criteria defined internally, it is confirmed (in line with the approach adopted in the previous reporting period) that the financial commitments allocated overall to these areas of action, both in terms of capital expenditure (CapEx) and operating expenses (OpEx), are to be considered not material.

Policies, Actions and Targets related to resource use and the circular economy

Outflows of resources related to products and services

Related to this section are the issues of resource outflows related to products and services with reference to the downstream value chain.

Policies related to resource use and circular economy

[E5-1]

In line with its strategy, market trends and new European sustainable finance regulations, the Group is committed to supporting sustainable development by progressively integrating sustainability principles into its strategies and operating processes, in accordance with the values and principles of responsibility, transparency and environmental protection enshrined in the Group Code of Ethics⁵¹.

The Group's commitment is reflected in policies governing the various ongoing and planned initiatives and collaborations to promote the ecological transition. In particular, reference should be made to the Group Sustainability and ESG Directive²⁹, which sets out commitments relating to impacts on the environment, ecosystems and the circular economy, in line with a structured system of governance, control and risk management that includes the Organisational, Management and Control Model pursuant to Legislative Decree 231/2001²⁹, also aimed at preventing environmental risks. The relevant safeguards are integrated into the methodological processes for the identification, materiality assessment and measurement of climate and environmental risk factors governed by the "Methodological Rules for ESG risk factors: identification and measurement of environmental and climate risks" and by the document "Materiality assessment of climate and environmental risk factors"²⁹.

The Group also recognises the importance of sustainable resource management aimed at reducing environmental impact and optimising resource use through circular economy processes, adopting specific operational safeguards to monitor direct impacts, including the "Management and monitoring of the waste disposal service" policy. In this regard, consistent with its commitment to support the transition of its corporate customers towards a circular economy and the efficient use of resources, the Group identifies an opportunity in pursuing investment strategies towards sustainable long-term projects and products by offering dedicated credit solutions to companies engaged in material recovery and

⁵¹ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

reuse (in line with the provisions of the documents "Rules for the definition, transmission and monitoring of credit strategies" and "Framework Outlook ESG – Integration of ESG risk factors into credit assessment"⁵²)

Actions related to resource use and circular economy

[E5-2]

The Group recognises the importance of the transition to a circular economy and sustainable resource management to achieve the EU's climate neutrality goal by 2050 and to halt biodiversity loss. The extensive use of resources puts pressure on the environment and nature during the extraction of raw materials and on the climate due to climate-changing emissions during the production of goods and products and the harvesting process. The adoption of circular economy approaches can help reduce climate-changing emissions in priority industry sectors such as agribusiness, consumer goods manufacturing, chemicals, transport, fashion and textiles, energy and utilities, and construction.

In particular, Banca Widiba launched in Milan the NANDO pilot project, an Artificial Intelligence-based system for monitoring and improving office waste management. Thanks to monthly reports and structured data analysis, the Bank was able to measure the waste produced, understand disposal habits and promote targeted internal communication actions. The use of AI has transformed a traditional process into an advanced system of monitoring and continuous improvement, encouraging more conscious and sustainable behaviour.

Consistent with its commitment to decarbonisation and the actions defined to support the transition of its corporate customers to a net-zero economy, the Group sees sustainable finance as an opportunity to promote and support the circular economy and further strengthen its contribution to climate change mitigation. The Group therefore recognises the importance of sustainable management of outbound resources and intends to seize the opportunities arising from the expansion of its range of financial products in response to the needs of its counterparties.

In this regard, the Group offers dedicated credit solutions to companies active in material recovery and reuse, supporting activities such as recycling, waste management and the reuse of raw and secondary materials. To this end, a credit assessment process has been developed that integrates ESG factors, including those relating to circular economy models, at all stages of the lending process, from origination to review, with the aim of supporting the sustainable transition and monitoring exposure to ESG risks. In this context, the adoption of the ESG Questionnaire, discussed with the companies, allows the Group to collect qualitative and quantitative information on their commitment to circular economy models and to direct the granting of credit in a manner consistent with sustainability objectives, including those related to the circular economy and decarbonisation strategy.

In addition, the Group participates in ecological transition initiatives that also promote the circular economy. Among the projects in which the Group participates are:

- the National Recovery and Resilience Plan (NRRP): the Group actively participates in the National Recovery and Resilience Plan (NRRP), with particular focus on the "Green revolution and ecological transition", through which it supports projects aimed at promoting the circular economy and contributing to the country's ecological transition.
- **SACE Growth – Green** module: Access to financial guarantees for companies that develop projects aligned with circular economy and ecological transition objectives, favouring sustainable investments. In 2025 the partnership agreement with SACE was renewed in relation to the SACE Growth guarantee, with the aim of incentivising projects to reduce environmental impact and of launching an ecological transition through loans backed by SACE guarantees for around 70% of the total disbursed.
- **Green Energy Financing**: The Bank supports investments in the construction of new biomethane production plants and in the total or partial conversion of existing biogas plants fuelled by agricultural or agro-industrial biomass, which may benefit from specific incentives defined under public initiatives, through the dedicated Green Energy product.
- The Group is a signatory to the Convention between the Ministry for Business and Made in Italy, Invitalia and ABI to regulate the methods for companies to access the facilities through an escrow account able to guarantee the payment of suppliers of subsidised goods. In particular, the Convention facilitates the granting and disbursement of facilities related to innovative investment programmes by SMEs, aimed, among others, at their towards the circular economy ('Sustainable Investments 4.0' facility).

⁵² For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

- The Bank is signatory to the Convention between the Ministry for Business and Made in Italy, CDP and ABI for granting subsidies to support research, development and innovation projects for the ecological and circular transition in support of the aims of the “Italian Green New Deal”.

The above initiatives form part of the Group's ordinary operations and are monitored and renewed annually, taking into account developments in the relevant regulatory and market context.

With a view to the future, the definition of further actions dedicated to fostering the ecological and circular transition of key customers and a careful monitoring of emerging national and international regulatory requirements and the expectations of the market and chief stakeholders is envisaged.

Targets related to resource use and circular economy

[E5-3]

To date, the Group has not defined specific quantitative targets for the management of resource outflows related to products and services along the downstream value chain. The adoption of specific targets dedicated to fostering the ecological and circular transition of the target customers will be evaluated in the future in order to ensure a continuous improvement of the commitment on this issue. However, the topic is appropriately covered through the broader framework of the decarbonisation targets set by the Group, in line with the guidelines defined by the NZBA framework.

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

Regulatory Framework and Purpose

The **European Union Taxonomy Regulation** is a standardised classification system that defines which economic activities may be considered **environmentally sustainable**. It establishes which activities make a substantial contribution to at least one of the six environmental objectives, without causing significant harm to the others and while complying with minimum safeguards.

The six objectives are:

- **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)**

When we finance activities for which the use of proceeds is known – for example, in project finance – and which are listed in the Climate or Environmental Delegated Acts, those activities are considered **eligible**. This means that the activity is recognised by the EU as potentially environmentally sustainable and may be assessed against the Taxonomy criteria.

Assessment against those criteria entails verifying that the activity:

- contributes substantially to at least one of the environmental objectives
- does not significantly harm the other environmental objectives (DNSH)
- complies with minimum safeguards in social and human rights matters
- meets the technical requirements laid down by the EU to ensure an adequate level of environmental performance

Where these requirements are confirmed, the activity is reported as aligned in the mandatory templates.

Where, instead, we finance activities for which the use of proceeds is not known, as in the case of general corporate financing, the exposures are compared with the key **performance indicators (KPIs)** published by the relevant counterparties.

In addition to the reporting of eligible and aligned activities, the EU Taxonomy distinguishes between:

- **Transitional activities**

Economic activities for which low-emission alternatives are not yet available at scale, but which contribute to the transition to a climate-neutral economy in accordance with strict criteria, for example through improvements in energy efficiency.

- **Enabling activities**

Activities that enable other economic activities to achieve the environmental objectives, such as infrastructure that facilitates the integration of renewable energy. Both transitional and enabling activities are assessed against the same EU Taxonomy sustainability criteria, but subject to specific conditions linked to their role in supporting the transition or enabling other activities.

The EU Taxonomy disclosure is prepared in accordance with the **prudential scope of consolidation**.

Gross carrying amounts are allocated to the product groups in accordance with the FINREP regulatory financial reporting framework, consistently with the International Financial Reporting Standards (IFRS) and the customer segmentation applied therein.

The required regulatory templates are included in **Section 5 of the Appendix**.

Section 3 - Social Information

ESRS S1 - Own workforce

This section sets out, with regard to the management of "own workforce", the policies and actions adopted to manage the risks associated with the topic and to seize the relevant opportunities, as well as the targets set to monitor the effectiveness of the actions. The general processes for involving workers on material impacts that affect them, as well as the channels through which they can express their concerns are also outlined.

Finally, the section reports the metrics used to monitor the effectiveness of the measures taken.

The information reported is directly related to and dependent on the specific elements (in terms of impacts, risks and opportunities) identified as material following the double materiality analysis (further details are provided in the "Double Materiality Analysis" section of this document).

Detailed information on the material elements (together with evidence of the relevant segment of the value chain and the time horizon) is provided in the dedicated table (also included in the section "Double Materiality Analysis").

With reference to the various initiatives and lines of action illustrated later in this section, it should be noted that the Group has provided for specific investments and the allocation of dedicated resources to support their definition and development.

Based on assessment criteria defined internally, it is confirmed (in line with the approach adopted in the previous reporting period) that the financial commitments allocated overall to these areas of action, both in terms of capital expenditure (CapEx) and operating expenses (OpEx), are to be considered not material.

Policies, Actions and Targets regarding the Workforce

Policies related to own workforce

[S1-1]

Actions related to own workforce

[S1-4]

Targets related to own workforce

[S1-5]

Protection of working conditions

Issues related to secure employment, employees' working hours, adequate wages, social dialogue, freedom of association and collective bargaining, and work-life balance belong to this paragraph.

Policies

The Group is committed to ensuring appropriate working conditions in compliance with applicable regulations, addressing and managing issues such as secure employment, working hours, fair remuneration, social dialogue, freedom of association, collective bargaining and work-life balance, in line with the principles of responsibility, fairness and protection of the person enshrined in the Group Code of Ethics⁵³. To this end, it carefully assesses the related risks and adopts the necessary prevention and protection measures to minimise them, within a structured governance and control system also governed by the Group Directive on the Management of Prescriptive Compliance Obligations under Legislative Decree 231/2001 on administrative liability²³.

All Group employees are covered by collective bargaining, at national level through the application of the sectoral national collective labour agreements for the banking sector and, at company level, through the signing of second-level bargaining agreements.

⁵³ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

In this context, the Parent Company has defined a human resources management model, described in the Group Directive on Human Resources Management⁵⁴, which enhances internal skills, supports employees' professional development and takes account of their aspirations and needs, including through a targeted remuneration policy (Report on the remuneration policy and remuneration paid⁵⁵).

Actions

In response to the aforementioned policies, the Group has implemented and planned multiple actions to protect the working conditions of its workforce. In particular, the safeguards guaranteed by collective bargaining agreements and the Group's initiatives aimed at preventing psycho-social risks, ensuring work-life balance, and promoting supplementary pensions are mentioned.

Collective bargaining coverage ensures adequate protection for the workforce in terms of stable employment, adequate pay, social dialogue and freedom of association. In particular, the economic and regulatory treatment guaranteed by the CCNL is supplemented by company bargaining with improved provisions on particular areas (welfare, economic integration, training and professional development).

In July 2025, the agreement updating the second-level bargaining arrangements with regard to professional development, welfare and territorial mobility, as well as the agreement relating to the company bonus, were signed, with an increase in the previous year's amount payable as welfare, including on a partial basis.

Management of psychological/social risks

With a view to mitigating and focussing on psychological/social risks, a psychological counselling service has been in place at the Parent Company since 2016, gradually extended to all Group companies. From 3 June 2024, moreover, the service evolved into a listening and psychological counselling support service, dedicated to addressing moments of psychological malaise or discomfort, both in the workplace and in relations with colleagues, and in private life and in parenting, while guaranteeing complete anonymity. This service may be used as an initial specialist support and guidance service in the event of reports of harassment in the workplace.

Interviews take place according to different techniques depending on needs: active listening, emotional support, psychoeducation, alternative problem-solving, wellbeing promotion, stress management techniques. The aim is to strengthen or acquire the emotional, cognitive and behavioural skills that enable us to manage demands at critical times. The Listening Centre is a free space in which everyone can freely express their feelings, talk about how they are, find comfort and engage in ongoing dialogue with professionals ready to help rather than judge.

It should also be noted that Group Companies are involved in the Targeted Prevention Plans (TPPs) prepared by the Local Health Authorities. These are implementing and participatory tools for the prevention of workplace health and safety risks, aimed at creating a synergistic relationship between Institutions and Companies, no longer based solely on supervisory activities (Art. 13 of Legislative Decree 81/08), but also on the development of joint supervision and assistance actions aimed at generating preventive measures.

Mediobanca's commitment to psychophysical wellbeing is implemented through collaboration with an online psychology medical centre offering free psychological support sessions, and a partnership with a clinical centre for the treatment and prevention of eating disorders.

Actions

Families and leisure time

The Parent Company is committed to expanding flexibility tools for staff through an evolutionary approach capable of fostering work-life balance, thanks to continuous and ongoing dialogue in managerial settings and labour relations. A first reference time horizon for the activities described has so far been that of the Industrial Plan (2024–2028). In this way, typical welfare institutions are complemented with specific initiatives also for the benefit of family members, accompanied by a dedicated renewed internal communication plan:

- **Medical expense coverage** programme extended to family members;
- **accident policy** and leave for medical examinations;

⁵⁴ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

⁵⁵ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

- **MP Solidale**, the Time Bank funded by donations of hours and days from colleagues or by portions of remuneration from higher managerial levels, aimed at supporting serious and verified personal and family needs, giving priority to childcare needs. The signing of the July agreement under the second-level agreement extended the possibility of making use of MP Solidale to colleagues who are victims of gender-based and/or domestic violence;
- **parental support** with particular attention to new parents through an **guidance pathway** (the Professione Genitori project) and the extension of paternity leave through the update of second-level bargaining; in this context, leave for other parenting-related needs (children's school enrolment) has also been introduced and **taylor-made study pathways** dedicated to children's educational support have been enhanced, as well as programmes reserved for employees and their families to facilitate access to sporting activities and to support psychophysical wellbeing through an online platform.
- agreement for enrolment in university study programmes, as well as study leave for working students;
- digital corporate library for the free borrowing of e-books and audiobooks, extended to the family;
- platforms offering dedicated deals for colleagues and family members;
- Recreational, sports and cultural activities promoted by CRAL staff social organisations.

There is also a plan for the recruitment of family members of employees who died while in company service (or while making use of the solidarity fund).

The Parent Company also supports the personnel intervention plans activated by the Cassa di Previdenza and the Associazione di Mutua Assistenza, entities with direct employee participation that have been in operation since 1950.

Supplementary pensions and financial facilities

To the Corporate Pension Funds to which Group companies allocate 3% of remuneration, while also extending membership options to dependent family members. Insurance cover is also provided in the case of serious events such as premature death and permanent disability.

In addition, staff are offered preferential terms on banking, financial and insurance transactions, with particular regard to the terms of unsecured and mortgage loans, also introducing the possibility of renegotiating the type of rate applicable to mortgage loans.

Targets

Attention to the working conditions of the company's own workforce is embodied in the annual definition of qualitative-quantitative objectives, in line with the Group's strategic directions. In particular, these targets concern:

- resource empowerment, to be strengthened by:
 - assignment to roles aligned with people's abilities, skills and, as far as possible, expectations, in order to value individuals in compliance with the principles of equal opportunities
 - training resources appropriately;
 - the ongoing assessment of professional performance in line with development paths and the operation of the incentive system;
- monitoring the corporate climate and employee satisfaction (listening to employees through interviews and visits to facilities, relations with the peripheral company trade union representatives, etc.);
- allocating resources to units/roles that are in keeping with the Group's workforce sizing and adequacy models and with the Industrial Plan objectives;
- monitoring and overseeing the operational budgets assigned to personnel cost items (both expenses and other administrative expenses on staff, including time/labour management, modal allowances, missions, accommodation supplies, per diems for relocation);
- defining the performance indicators for management activities.

Occupational health and safety

Issues related to the protection of occupational health and safety are covered in this paragraph.

Policies

As part of the protection of staff, with regard to occupational health and safety, the Group is committed to complying with applicable legislation by adequately assessing all risks and planning/implementing the necessary prevention and

protection measures to minimise them, in line with the principles of protection of the person and organisational responsibility set out in the Group Code of Ethics⁵⁶ and with the control system established by the Group Directive on the Management of Prescriptive Compliance Obligations under Legislative Decree 231/2001 on administrative liability²⁵.

In this regard, the Parent Company has implemented an Occupational Health and Safety Management System (OHSMS), certified since 2008 and governed by the internal document "Group Directive on occupational health and safety"²⁵ which, together with the Group Health and Safety Policy²⁵, describes the responsibilities assigned, the operating procedures and related records, as well as the verification and control rules. The System operates in coordination with the "Group Directive on Physical Security"²⁵ and with the document "Health and Safety Oversight in Procurement, Works or Supply Contracts"²⁵, which respectively govern the protection of company premises and the management of risks associated with activities entrusted to suppliers and third parties, ensuring worker protection, prevention of interference risks, regulatory compliance and mitigation of sanction and reputational risks.

The detection of occupational health and safety risks is recorded and documented in the "Risk Assessment Document - RAD", a document periodically updated in relation to activities undertaken. During 2025, the latest update of the RAD of the Parent Company and of the other Group Companies that outsourced the Prevention and Protection Service to the Parent Company was carried out. The Banca MPS OHSMS is regularly monitored and maintained through periodic control activities, including, at least once a year, both internal (carried out by suitably qualified personnel) and external (by a third-party certification body) audits. The contents of the documents are checked if the need arises or at least once a year and updated if necessary. The document and any amendments are brought to the attention of all staff, as well as third parties, through the Parent Company's internal and external channels (e.g., intranet portal, institutional website, notices, etc.).

Actions

In the period from 25 February to 7 March 2025, external inspections were carried out by RINA Services for the maintenance of the OHSMS, in compliance with ISO 45001:2018. The certification body, for the year 2025, verified, overall, the adequate application of the system within the company, competence in the regulatory area being audited and the correct implementation of the system with regard to the personnel interviewed, confirming the renewal of the certification. As a result of the aforementioned audits, improvement programmes aimed at promoting workers' health have been defined, with the corresponding timing for implementation.

During 2025, meetings were also held with the Workers' Safety Representatives (RLS) on various issues related to ordinary activities connected to mandatory fulfilments, such as, for example, consultation meetings pursuant to Article 50 of Legislative Decree 81/08 for territorial areas or for individual issues, the periodic meeting pursuant to Article 35 of Legislative Decree 81/08 and training activities pursuant to Article 37 of Legislative Decree 81/08.

Objectives

To date, the Group has no specific targets to manage the issue of safety at work. However, the monitoring of the issue is ensured for the Parent Company by the aforementioned external audits and by the improvement programmes and continuous dialogue with the Workers' Safety Representatives, processes through which the Group ensures continuous monitoring of the issue of occupational health and safety, guaranteeing a proactive approach to risk management and the improvement of working conditions.

Training and skills development

Related to this paragraph are the topics of training and skills development for employees.

Policies

In order to enhance skills and contribute to the professional growth of internal resources, the Group promotes specific organisational models and dedicated pathways, in line with market requirements and sustainable development, in compliance with the principles of fairness, responsibility and centrality of the person defined by the Code of Ethics⁵⁷ and by the system of internal governance and control overseen by the Group Directive on the Management of Prescriptive Compliance Obligations under Legislative Decree 231/2001 on administrative liability²⁶.

⁵⁶ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

⁵⁷ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

In this area, the provisions of the supplementary company bargaining arrangements (updated by the agreement of 25 July 2025) apply, governing a professional development and continuous training model aimed at updating roles, skills and career development pathways, in line with organisational and digital evolution.

The Group pays particular attention to monitoring the training needs of personnel to ensure alignment between skills possessed and those necessary to offer quality of service to customers.

In this context, the human resources development process, including reskilling and change management plans, is governed by the internal regulatory documents entitled "Reskilling and Change Management Plans and Professional Development Pathways"³¹.

Actions

The Group's training model aims to respond proactively and dynamically to the new cognitive challenges posed by the markets and by continuous developments in the banking system, and business processes, as well as by and the impacts derived from it. One of the cornerstones of the training model is the annual training planning process based on the work of various corporate functions involved in a methodology giving priority to the identified initiatives.

In particular, with a view to promoting a culture of risk, a process has been defined which, right from its planning stage, associates each training activity with one or more corporate processes and risks: in fact, this approach guarantees bespoke planning for the areas classified by the MPS Academy - the company's training facility - as high-risk (credit, anti-money laundering and financial crimes, customer protection and transparency, data governance, data protection, Legislative Decree 231 and cyber security). The model is based on two annual activities involving all employees: The risk assessment exercise that defines the risk exposure of each corporate role is the skills gap analysis that determines the training needs of each employee.

During 2025, the Parent Company, in response to the ECB Guidelines on Risk Culture Governance, launched a project to establish a Risk Culture Framework through a holistic approach based on two specific project phases: the assessment and implementation of the framework. The approach makes it possible to address the issue in an integrated manner, involving the various corporate structures most affected.

In addition, MPS Academy has defined, since 2024, a specific training framework aimed at supporting the Bank's digital evolution. At Forum Banca 2025, the Bank received the highest recognition in the Best Digital Awareness category. The award-winning project concerns the digitalisation of training applied both from the perspective of technical skills and in relational terms.

Main projects implemented

Training and development course envisaged by the Consob Intermediaries' Regulation	In 2025, around 10,000 individuals in direct customer contact were involved in training concerning MiFID II, for a total of 30 training hours per capita; Depending on the role, the training pathways also include classroom activities: for Valore POE staff (around 1000), a day aimed at developing skills in listening to and analysing customer needs, effective communication and negotiation; Premium relationship managers were instead involved, in line with the outcomes of the Skill Gap Analysis on the Finance topic, in a day of in-house teaching (duration 1 day) to consolidate specialist financial knowledge for the role (around 400 participants). The pathways are structured with the aim of enhancing, for updating purposes, all training activities falling within the topics laid down by the 2018 ESMA Guidelines, ensuring a sustainable training commitment across the commercial network focused on the priority aspects, based on strategic guidelines and individual needs.
Info-training course on Risk Culture	The subject of risk is monitored with internal communication plans in all its declinations (AML, Compliance, Credit, Cybersecurity, Sustainability and ESG, others). 'Culture of risk' is also the name of a now stable information-training plan, which associates operations with the main risks associated with them. The plan consists of a series of Intranet articles, each with a Learning Card (also on ESG topics involving 16,000 people). All articles are collected in a permanent intranet section. In October 2025, the annual meeting "Risk culture - transparency. A fundamental element for a healthy business' meeting chaired by the Chairman of the Board of

	Statutory Auditors. Participants: Board of Statutory Auditors, target audience from the 3 commercial divisions and General Management roles. During the year, a further 3 live meetings were held on Anti-Money Laundering and the Risk Appetite Statement, involving the commercial departments.
Multimedia training on Risk Culture	Dedicated training for all staff, in continuity with previous years, through a series of courses with periodic publication on topics covering different risk areas: from Liquidity Risk to Operational Risks and Anti-Money Laundering. In 2025, an online course was also made available to all Group employees to raise awareness of the importance of risk culture in terms of shared responsibility and as a future challenge for all banks.
Training on Transparency matters	During the year, new courses were launched on Banking Transparency topics (Unauthorised payment transactions, the PAD Directive, Indicator of total costs), in which all Network staff (around 11,000 people) were enrolled. In addition to the two cross-cutting courses, training on the transparency topic was delivered, as every year, in a tailored manner based on the results of the annual "Customer Protection and Transparency" Skill Gap Analysis, assigning each person the courses needed to bridge the training gap identified. The courses were reviewed and updated in terms of content in collaboration with the topic owner functions; any regulatory changes or needs arising from findings identified by the control functions were also incorporated into the question banks that made up the 2025 Skill Gap Analysis on the Transparency topic, in order to map the level of awareness and knowledge across the commercial network.
Professional skills training courses	Examination preparation pathway for the financial adviser examination for all newly appointed Private Bankers and Premium Top Relationship Managers. Moreover, within the Private Banking advisory model, Banca Monte dei Paschi di Siena promotes the maintenance of high standards of professionalism through certification pathways recognised at European level. In 2025, MPS Academy continued the EFA and EFA ESG certification support programme, aimed at selected groups of Private Bankers (56 EFA certified, 42 EFA ESG certified), in line with MPS Academy's professional qualification strategies and with the transparency and sustainability requirements laid down by the CSRD. The EFA and EFA ESG certifications attest to advanced competences in the provision of financial advisory services, including the full integration of ESG factors into the analysis of instruments and the definition of investment strategies, thereby contributing to service quality, customer protection and the strengthening of responsible governance practices.
Risk-based training on anti-money laundering, credit, cybersecurity & Data Risk	Risk assessment to determine the main risks to which the various roles are exposed, and skills gap analysis to assess gaps in training (over 11,500 people for the Anti-Money Laundering area and 4,300 for the Credit area) with online training, virtual classroom training and operational coaching (online training for around 11,500 people on anti-money laundering and 4,300 on credit, webinar training for 200 people on anti-money laundering and 430 people on credit, and operational coaching for 70 people). In 2025, there was also a return to classroom training for around 500 people in the Anti-Money Laundering area and 500 people in the credit area. In addition, the cyber security & data risk skill gap analysis, scheduled every two years, was also carried out on the topics of cybersecurity, data governance, data protection and Administrative Liability of Entities pursuant to Legislative Decree no. 231/01, involving staff in the central functions (more than 4,000 people) with a 90% participation rate. The tailored post-skill gap analysis training was activated automatically at the close of the tests through enrolment in four adaptive online courses (one for each topic), in which all the staff involved in the EMS were enrolled.

Info-training plan and awareness raising on IT security	In accordance with the Plan and in continuity with training launched in previous years, courses for all personnel were provided on the main threats: fraud and scams, money muling, digital identity. The courses are accessible not only from the MPS Academy platform, but also from the Intranet in the cybersecurity section. The Plan envisages specialist post-skills assessment training for personnel in the second-level corporate control functions on monitoring post-skiò assessment compliance risks (18 individuals), IT roles associated with obtaining or updating certifications, e.g., AIIA courses for Internal Auditors (34 participants), cyber courses for SWIFT operators for CSP compliance (SWIFT Customer Security Programme) and compliance with security requirements envisaged in international standards (300 individuals), courses provided by external certification bodies (e.g. ISACA) in some cases envisaging the issue of international attestations (42 individuals), online training on DORA for the entire company population (16,000 individuals). For initiatives involving key and strategic roles of the Parent Company, a board induction event was held for all Board Members and Statutory Auditors of the Parent Company and members of the Board of Statutory Auditors on Cybersecurity: "IT security".
Regulation & Risk Culture APP	The publication of training content on the smartphone application continues, on regulatory topics that are constantly evolving. Publications occur periodically once a month and comprise a video, using an avatar produced with generative artificial intelligence, and textual content. The contents are produced by Deloitte Risk Advisory.
Managerial training	Managerial training pathways have been launched, dedicated respectively to newly appointed managers, for learning team management skills, and to managers involved in the dedicated professional development pathway.
Induction training for the main network roles	Training courses dedicated to learning the technical and operating skills indispensable to those taking on a new role. The new Premium Top service model has been included in the training pathway aimed at taking the financial adviser examination: 43.5 hours of training, comprising two classroom days and synchronous webinars for theoretical in-depth study and examination exercises.
Professional training pathway for the Compliance function	A professional training pathway delivered by ABIformazione was launched for specialists in the Compliance function (20 people), divided into two waves, the first held in 2025 and the second scheduled for 2026. The first wave of the pathway included 5 webinars of 4 hours each and addressed topical issues such as the risk management process, controls and corrective actions, planning and compliance reporting.
Training plan for new recruits	The onboarding of new recruits was managed mainly through on-the-job training pathways, supplemented by in-depth webinars on the aspects most closely related to managing the main risks characterising their activities and online courses.
Objective Value	Classroom training for Value Added employees, aimed at reinforcing the commercial process of offering consumer credit. The remaining seven DTRs were involved in 2025, in continuity with what had already been carried out in 2024.
POE sales skills development	Classroom training aimed at all POE value staff, focused on developing customer listening and needs analysis skills, effective communication and negotiation. The course, delivered by external trainers, involved around 100 people in a highly interactive day of classroom training and achieved excellent satisfaction results.
Private Academy	Broken down into three progressive training steps and subsequent specialisation and certification initiatives, Private Academy is the programme that accompanies Private Managers to the full acquisition of the skills indispensable for effective coverage of the role, and constantly updates them with a view to fully covering the evolving needs of customers.
	As part of Transparency training activities, a skills certification path is envisaged every two years for colleagues operating, directly or indirectly, in Product Governance

POG Certification	(insurance products, banking products and investment products), with the aim of consolidating their professionalism in an innovative way. This activity, designed in collaboration with Deloitte Financial Advisory, forms part of the overall risk-based training model adopted by MPS Academy. The programme ensures compliance with the relevant regulatory requirements, especially those concerning Transparency and POG. The Product Governance training and certification path is aimed at the Product Functions, the Compliance Function and the other Functions involved in the processes. For 2025, 166 certifications obtained in previous editions were renewed and 63 new certifications were activated.
Post Network Audit Training	A training course on practices and operational risks is ongoing for staff belonging to branches audited for which significant gaps were found. The training consists of webinars by MPS Academy faculty members and online courses using adaptive technology. In 2025, around 50 resources were involved.
Digital skills and artificial intelligence development	The training framework, established in 2024, takes account of the substantial transformation that digitalisation is bringing to the labour market and society as a whole, regulatory developments (40th update of Bank of Italy Circular 285) and the need for continuous updating of the IT Department's specialist technical skills. The framework was therefore designed according to a holistic approach which, in addition to technical skills, also envisages the need to work on mindset and human skills. Specifically, it was developed across three areas: 1) Tech (upskilling in digital skills; digital literacy for all employees (Art. 4 AI Act); 2) Specialist skills for IT professionals, Information Security; 3) Mindset, in order to manage the "digitalisation paradox" consciously, learning to use new digital tools and avoid "unlearning" the alphabet of traditional "human" skills (emotional intelligence, critical thinking, etc.). The design activities for the IT Academy began in 2025, with the objective of overseeing and developing the IT function's technical and organisational skills by providing personalised training paths aligned with the needs of the 2024-2028 Industrial Plan Strategic Projects.
MPS Academy Teaching Faculty	A Knowledge Management project was launched involving 30 Faculty members of MPS Academy (divided into 5 groups). The project envisages the delivery of workshops (2 events of 2 hours each) to bring out tacit knowledge and best practices and to define tools and channels for circulating knowledge from the classroom to day-to-day work.
Training on the human factor and Artificial Intelligence	Since 2024, MPS Academy has launched training programmes to improve performance in an increasingly digital working context, working not only on technical skills but also on human skills, starting with digital culture, critical thinking, emotional intelligence and leadership. The IMPACT training path, aimed at developing awareness of the risks and opportunities of new technologies, involved around 12,000 people, while the training path "The Compass of Emotions", aimed at developing emotional awareness, involved 4,700 people in central structures through the online path and around 250 managers in dedicated webinars.

The 'MPS Academy' and ESG awareness programmes

Training activities are structured within MPS Academy, the Company's permanent corporate training school, which since 2012 has supported the evolution of organisational models and assisted people along their professional development paths. MPS Academy continuously designs, plans, oversees and funds training activities.

In this context, MPS Academy has promoted a number of initiatives to facilitate the dissemination of the ESG culture and principles, such as online courses, workshops and external seminars dedicated to sustainability topics, bespoke training activities connected to skill gap analyses in the areas of Credit and AML/CFT, as well as on diversity, equity and inclusion.

Similarly, the activities promoted by Mediobanca Academy act synergistically, pursuing the same objectives of strengthening managerial ethics and ESG culture through specialist paths.

With regard to disseminating environmental and social sustainability issues, during 2025 internal communication highlighted diversity & inclusion initiatives, with in-depth features on economic violence, equal opportunities and disability.

Commercial initiatives that integrate ESG principles into the business strategy were also showcased on internal channels. These included the Green Loan facility, aimed at financing projects supporting the green transition, as well as the agreement with Coldiretti and the Italian Biogas Consortium.

Also worth noting is the launch of MPS Energia Verde, a new brand and related business line aimed at promoting investments in production facilities or processes which, through the use of renewable sources, make it possible to reduce energy consumption or pursue energy independence.

In addition, the Bank took part in the twenty-first edition of "M'illumino di meno", switching off around 1,000 branch signs and the external lighting of the Bank's historic headquarters over two days.

The "MPS Sviluppa" programme

During 2025, a number of development initiatives were launched, in line with the MPS Sviluppa programme aimed at meeting the company's various professional needs, responding to the following objectives:

- enhancing professional skills and capabilities;
- supporting people's motivation and engagement;
- empowering human capital for growth.

The programme is guided by the principles of equal opportunities and accessibility of training and development activities, consistent with the provisions of the Code of Ethics and the document "Rules on Inclusion".

The main initiatives and processes made available under the programme, the implementation of which is aligned with the time horizon of the 2024-2028 Industrial Plan projects, include:

- talent academy, an annual programme aimed at identifying, retaining and managing people with talent, understood as human resources with high continuous performance, who show elements of development in a managerial key, useful to cover roles of responsibility and/or greater complexity in the medium term;
- targeted soft skills development paths dedicated to specific groups of the corporate population identified in line with the company's strategies and objectives. Each path starts from an analysis of the corporate population, carried out according to the Bank's objectives and strategic priorities. In the last year, these were dedicated in particular to people included in the Managerial Continuity Plans and to supporting Female Leadership;
- soft skills assessment, which is integrated with the Performance Management process, offering the opportunity to promote more effective development activities for the individual. The types of assessment are designed in line with the Bank's competency model, are tailored to the complexity and size of the different role clusters and may serve either as role mapping exercises or as forward-looking assessments for more complex roles. At the end, a feedback interview is envisaged in order to set up a personalised development plan;
- tools for observing people's competencies that compare their self-assessment of behaviours with the views of a group of people selected from colleagues, peers and other observers. The process is completed by the individual interview, which includes the delivery of the Report and the definition of a development plan supported by a dedicated platform;
- coaching paths, activated to maximise the potential and performance of coachees, structured in line with the needs and clusters of the people involved. The following types of coaching are available: Executive coaching for Top and Senior managers, individual coaching provided by qualified in-house coaches and reserved for people included in the Talent Academy, and digital coaching activated on demand through a dedicated platform and app;
- mentoring paths, aimed at the personal and professional growth of mentees, are available in two forms: in-house mentoring, activated with identified colleagues acting as Mentors and specifically trained within the MPS Mentor School, and Inter-company Mentoring, which involves the participation of companies operating in different sectors;
- Reskilling: targeted interventions were defined for the retraining of central structures' resources towards network and Corporate Control Functions (FAC) roles. This structured and scalable process aims to actively manage reskilling, through enhancement of the skills and experience possessed by the people involved and the definition of personalised training courses that promote experiential learning;
- professional paths which, also in line with second-level bargaining guidelines, promote access, on a voluntary basis and subject to selection based on experience, skills and capabilities, to experiential and training steps aimed at taking up target roles (e.g. Commercial Module Branch Manager) or consolidating the current role.

At the heart of the MPS Sviluppo programme is the Performance and Talent Management process, the Group's professional performance assessment. Addressed to all the Bank's people, the process compares the individual's self-assessment with the manager's assessment of Activities and Behaviours, in order to promote a feedback culture, with dedicated moments at mid-year and year-end, and to provide strategic information useful for guiding HR processes.

Targets

The commitment to enhancing human capital is implemented through the annual definition of qualitative and quantitative objectives by the Human Resources department, in line with the company's strategic indications. In particular, aspects such as adequate training coverage, consistency of performance and potential assessment with professional development paths and the incentive system are considered. The monitoring of the achievement of these objectives is ensured through specially prepared process KPIs.

Diversity and inclusion

Issues related to diversity and inclusion and, in particular, guaranteeing gender equality and equal pay for work of equal value, employment and inclusion of persons with disabilities, measures against violence and harassment in the workplace, and the protection of diversity are covered in this paragraph.

Policies

The importance of spreading an inclusive corporate culture as a strategic driver of development and zero tolerance towards any kind of discrimination (race and ethnic origin, skin colour, sex, sexual orientation, gender identity, disability, age, religion, political opinions, national origin or social background, and any other form of discrimination contemplated by European Union legislation and national law) are reiterated in the Gender Equality Policy⁵⁸.

Actual or potential "non-compliance", such as violations of the principles of equal opportunities, fairness and inclusion set out in the Code of Ethics²⁷ and other cases that may constitute violations of European Union law and relevant external and internal regulations, are handled through the whistleblowing system, as provided for in the Group Directive on the management of internal whistleblowing systems²⁷.

As for the reporting of inappropriate behaviour in the workplace, the reporting person, in addition to using the whistleblowing system, can report to a special Protection Committee, as specified in the document Rules on preventing and combating gender-based harassment in the workplace²⁷, and in the document Gender Equality Management System²⁷.

The implementation and governance of the regulatory documents and related processes just mentioned describe the general approach for remedial measures with respect to any deviations/non-conformities that may occur. Consistent with this overall approach, from the establishment of the employment relationship onwards, each resource receives continuous information and training on the characteristics of the function to be performed, on the regulatory elements governed by the National Collective Labour Agreement and on specific disclosures (such as the Group Directive on managing compliance obligations under Legislative Decree 231/2001 on administrative liability²⁷, privacy, anti-money laundering, code of ethics, prevention and safety, code of self-regulation, etc.).

Actions

To ensure the monitoring of gender equality activities and areas, with particular reference to compliance management, the Gender Equality Management System is in force. Based on the outcome of the monitoring carried out, the management of recommendations was defined, ensuring the activation of any corrective actions. With a view to continuous improvement in the areas of gender equality and inclusion, the system envisages the preparation, management and updating of a Strategic Plan on Gender Equality, defining objectives and actions to close the gaps identified from analysis of the indicators. The Plan is shared and approved by a special Steering Committee, composed of Top Management. At the same time, the management of non-compliant situations is envisaged, such as violations of the principles of equal opportunities, fairness and inclusion, involving the competent Functions in the matter, as well as the preparation of the related reporting.

With the aim of monitoring the implementation of the principles expressed in the Gender Equality Policy over time, the Group is committed to adopting specific KPIs that, in line with and consistent with the principles contained in the

⁵⁸ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

reference regulatory documents, enable the monitoring and measurement of the progress and results achieved, in support of the cultural change in terms of diversity and inclusion.

Below are the main actions related to the employment and inclusion of people with disabilities, prevention of violence and harassment in the workplace and promoting diversity. they are ongoing throughout the reference time horizon coinciding with the 2024-2028 Industrial Plan.

Initiatives dedicated to equal treatment and opportunities for all	
Plural Management Project	Training with in-house teaching staff continued in 2025 to raise awareness of respect for diversity and inclusion, particularly in relation to gender and disability, and a focus on the Gender Equality Policy. In 2025, 240 resources with positions of responsibility were involved.
Women's Empowerment	The "Women's Empowerment" project was implemented, a workshop to support the managerial development of women on a growth path, facilitating self-awareness and awareness of their own competencies and setting concrete goals. The project involves the participation of 77 women from all lines of business and the involvement of an equal number of men.
Top Management training	The active involvement of Top Management on diversity and inclusion issues was accompanied by a dedicated information and training activity focused on gender equality and on combating and preventing economic violence, delivered by Professor Azzurra Rinaldi.
Specialist training for the prevention of and response to harassment	In 2025, training paths dedicated to specialist figures were launched to explore how to intervene to prevent and manage any episodes of harassment, delivered by experts.
"Inclusive Leadership" training meetings	In 2025, training courses for resource persons were carried out to increase awareness and knowledge of the different experiences with inclusive groups, with a focus on disability issues.
Online course "Prevention of and response to gender-based harassment"	In 2025, the course "Prevention of and response to gender-based harassment" was made available to the entire corporate population and was taken by 96% of the corporate population.
Awareness-raising on the prevention of gender harassment	On 25 November, the "International Day for the Elimination of Violence against Women", in order to promote financial autonomy, the Group joined the ABI initiative "Parole di inclusione", a series of podcasts dedicated to the issue of economic violence. The training courses 'Financial Education: an empowerment tool' focused on the enhancement of financial education as a tool to prevent and combat the phenomenon of economic violence. In 2025, an in-depth article on economic violence was published based on the content of the training course on the same topic delivered to Top Management.
D&I page on the corporate intranet	The intranet section fully dedicated to Diversity & Inclusion is constantly updated, where opinions can be expressed and suggestions put forward, including reading recommendations, videos, newsletters and so on. Each month, the section is enriched with a new word from the inclusive glossary, which aims to clarify the meaning of certain terms that have entered into common usage but are not always used correctly.
MPS Edu	The "MPS Edu" social financial education column was enhanced with content relating to diversity, equity & inclusion.
D&I training for new recruits	The induction courses for new recruits include a special educational, taught in-house, dedicated to the topics of Diversity & Inclusion.
Inclusion Week	In March 2025, a week of virtual classrooms was held, involving all the Group's people on a voluntary basis, to reflect on the theme of intergenerational intelligence, in collaboration with Hermes Consulting. A document containing practical suggestions for inclusive communication, with specific attention to disability, was also published. The content of the document was also collected in a dedicated intranet section.
Open Jam	As part of the projects aimed at strengthening its commitment to valuing diversity and spreading an inclusive culture, the Group also joined the 'Open Jam 2025' initiative, promoted by <i>The European House - Ambrosetti</i> , with the intention of enhancing the comparison between

	the different generations present in the company (GenZ, Millennials, GenX, Boomers). Participants in the 2024 edition also shared their experience in a video shared with Top Management.
Initiatives promoted by Mediobanca	Mediobanca aims to promote female talent, particularly in technical and scientific areas, through its partnership with the Woman & Tech Association, the "Women in STEM" project (a series of interviews with female graduates in scientific disciplines within the Group) and the granting of targeted scholarships such as "Girls@POLIMI" and "Mediobanca for Women's Talent" at the Sant'Anna School of Advanced Studies in Pisa. Professional empowerment is supported by the Woman Empowerment Program (WEP) – a mentoring programme involving women professionals from other sectors – and by the Ladies in Tech and Ladies in Banking Breakfast networking and guidance series.
Initiatives promoted by Widiba	The WOW – Women of Widiba – programme is an initiative aimed at promoting the spread of an inclusive culture and enhancing the female component within the Bank and financial advisory, with the objective of increasing awareness of the contribution and value that women can bring to the sector, through activities and events developed also in synergy with the Parent Company.

In addition, in order to promote the dissemination of the principles contained in the Rules on Inclusion and the Gender Equality Policy, the collaboration with Valore D continued through participation in dedicated inter-company training paths. The Parent Company's participation in the D&I in Finance project was also confirmed, an initiative aimed at consolidating the actions promoted by the banking and financial sector in support of inclusion, fairness and the enhancement of diversity.

Targets

The focus on issues related to diversity and inclusion is reinforced with an enrichment of performance indicators in line with the "Rules on Inclusion" document and through constant monitoring of existing indicators. In particular, mention is made of the indicator concerning the percentage of positions of responsibility⁵⁹ held by women. This KPI - already identified as a smart target for the period 2021-2023, in line with the commitments undertaken after joining the UNEP FI Principles for Responsible Banking and with the provisions of the UNI/PdR 125/2022 Reference Practice on Gender Equality Certification - was set at 35% by 2023 and was comfortably passed, with the actual figure at the end of this period reaching 37% and increasing further to 38.6% at the end of 2025. This indicator will continue to be monitored, with the objective of reaching the target set by the 2024-2028 Industrial Plan, equal to more than 40% at the end of the period.

Targets are set on the basis of KPI analysis, also with a view to continuing the path of continuous improvement in the areas of gender equality and inclusion, through the involvement of the functions directly responsible for the relevant matters. Monitoring of the defined indicators is entrusted to the competent functions which, in the event of deviations, identify corrective actions aimed at ensuring alignment with the objectives of the Strategic Plan for Gender Equality.

Staff retention

During the phase following completion of the acquisition of the Mediobanca Group, the Group ensured the continuity and stability of the remuneration and incentive systems applicable within Mediobanca, while at the same time carrying out a structured and comparative assessment of the remuneration, incentive and retention mechanisms in place.

In relation to potential negative impacts on the workforce, such as the risk of increased turnover, the loss of key skills and reduced staff engagement during the integration process, the Group launched a series of actions aimed at ensuring organisational stability, continuity of remuneration systems and the retention of critical resources.

⁵⁹ The following are considered as resources with positions of responsibility: In the General Management Division (of the Bank and other Group companies), heads of structures up to sector level (Chief Executive Officer, General Manager, Deputy General Manager, Head of Division, Head of Level I, II and III Structures, Area, Service, Staff, Technical Secretariat, Office and Sector), Regional Sales & Distribution Divisions (Business and Private Regional Managers, Retail Regional Managers, Private Managers and Retail District Managers), Regional Credit Divisions (Business and Retail RCD Managers, and in the Network the Branch Managers and Heads of Specialised Centres (e.g., Private Businesses, etc.).

The actions undertaken to mitigate material workforce-related risks are subject to a structured monitoring mechanism, enabling the Group to assess their effectiveness over time through periodic comparison between the Legal Entities involved, qualitative analysis of organisational trends and oversight of the most sensitive business areas.

On the basis of the above assessment and given the priority of retaining key resources, supporting business continuity and mitigating people-related integration risks, the Group identified several key areas of intervention.

In particular, the Group intends to achieve the following objectives:

- retain critical and high-performing resources, particularly in core business areas;
- preserve the specific features of the main Legal Entities and Lines of Business, while at the same time avoiding disruption during the integration process;
- align remuneration mechanisms with long-term value creation, the Group's risk profile and strategic priorities;
- ensure full consistency with the Group Remuneration Framework, the applicable regulations and supervisory expectations.

The Group ensures that its integration and workforce management practices neither cause nor contribute to material negative impacts, through compliance with the Group Remuneration Framework, the applicable regulations and supervisory expectations, as well as through central oversight of decision-making and control processes.

In the first quarter of 2026, the various Legal Entities of the Group (with the full and structured coordination of the Parent Company) had already begun working on actions aimed at mitigating people-related integration risks, preserving critical skills and talent (with particular attention to Private and Wealth Management Bankers) and ensuring continuity in key business areas. In addition, a structured monitoring mechanism was established to oversee the design and execution of these actions, supported by periodic reporting mechanisms between BMPS and Mediobanca.

Pay Transparency: A Commitment to Equality and Sustainability

Aware that pay equity is a fundamental element in promoting an inclusive working environment and increasing employee satisfaction, while at the same time helping to reduce turnover, and in line with developments in Pay Transparency regulation, the Group launched a series of targeted initiatives aimed at:

- systematically monitoring the trend of the gender pay gap, adopting corrective measures for its reduction;
- ensuring, for equal work performed, fair remuneration proportionate to the contribution made, to skills, responsibilities and working conditions.

The aim is to strengthen trust by fostering an open and constructive dialogue between employees and the company, and to attract and enhance talent.

Privacy

Related to this paragraph is the issue of Privacy, i.e. the protection of the confidentiality of the personal data of the Group's people.

Policies

The Group is committed to protecting the personal data of its employees, customers and suppliers and, in doing so, complies with national and European regulations and the guidance of the Data Protection Authority. Ensuring digital security, information security and secure operations helps prevent improper use of information.

In order to prevent personal data breaches, safeguards supporting data protection are ensured, as described in the "Data Protection Policy"⁶⁰, together with the system of controls and responsibilities defined by the Group Directive on the management of compliance obligations in this area.

⁶⁰ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

These safeguards are further strengthened by the cyber security governance framework set out in the "Group Directive on Logical Security Governance"²⁹ and the "Group Directive on ICT Governance and Strategy Definition"²⁹, as well as the "Group Directive on ICT Risk and Security Management" and the "Group Directive on Incident Management"²⁹, which regulate in a structured manner prevention and monitoring activities and the management of security events, in order to protect company data, including personal data, and the Group's business continuity.

Actions

In order to ensure continuous employee training on data protection issues, the Group provides training interventions for employees, as well as initiatives aimed at promoting a culture of data protection. In particular, these training paths form part of the Group's established practices and are envisaged for employees both when they take up service and when there are changes of duties or the introduction of significant new tools in relation to the duties performed, with particular regard to the processing of personal data. In addition, webinars dedicated to specific topics are published on the intranet (e.g., the correct management of waste containing personal data and the new control safeguards introduced in the event of access to customers' personal data). The initiative promoted by the Data Protection Authority entitled "A proposito di privacy - Il podcast del Garante per la protezione dei dati personali". is also highlighted on the intranet.

Training courses on this subject cover not only purely regulatory aspects (e.g. compliance with privacy regulations, data confidentiality, handling a data breach) but also those relating to data protection from a technological point of view, e.g., with reference to phishing or other scam techniques.

Persons authorised to process data consist of all employees who, in relation to the activities performed, come into contact with and carry out personal data processing operations to which they have access. Access to personal data, whether in computerised form or on paper, by persons authorised to process the data, must only take place if knowledge of the data is strictly necessary to perform the tasks assigned. In this respect, each appointee is assigned an access user to the Bank's Information System, the authorisation profile of which is closely related to the role he/she holds, the tasks entrusted to him/her and the operational entity to which he/she belongs.

Targets

The Group oversees the effective monitoring of policies and actions in relation to this issue. In particular, responsibility for Level II checks on the regulatory requirements of privacy obligations is assigned to the compliance function. These controls are part of the Group's normal operations and consist of:

- planning and carrying out remote and on-site audits during the year, also taking into account requests made by the Data Protection Officer (hereinafter also DPO);
- if aspects of non-compliance emerge in the conduct of employees in the performance of the duties entrusted to them in the field of privacy, reporting to the Internal Audit function and the DPO Staff;
- carrying out Level II checks on the correct execution of the Data Protection Impact Assessment (hereinafter also DPIA);
- as part of the reporting to senior management prepared by the DPO, support to the DPO with regard to the results of privacy compliance checks carried out.

Processes for involving own workers and workers' representatives on impacts

[S1-2]

The management of material impacts entails that the Group should have its own employee engagement processes in place to take their views into account.

In line with constitutional principles and regulations in force, the Group encourages freedom of association for employees, which it manifests in many ways. Level II bargaining, which is entirely consistent with the applicable regulatory framework, confirms the strategic value of dialogue and the active involvement of trade union organisations, at the basis of a corporate climate of positive participation. To this end, the Group is committed to promoting information and consultation rights of the Trade Unions so that, each in their respective roles, the best solutions are constantly sought, in the common interest of laying the foundations for the long-term sustainable growth of the Parent Company.

Ongoing discussion between the parties, at central and peripheral level, has the objective of fostering adequate awareness and assessment of the repercussions on resources of reorganisations and seeking suitable convergences to mitigate impacts and guarantee quality of working conditions as part of an innovation and change process. In all cases of restructuring, business reorganisation or other activities affecting personnel in terms of work organisation and regional and professional mobility, the Group must arrange specific disclosures, in compliance with provisions of the National Collective Labour Agreement, and/or discussions with trade unions to analyse the impact on staff. It is after the closure of negotiations, with different durations contractually predefined on the basis of the reorganisation (up to 50 days), can the agreed measures be implemented.

The Group's industrial relations are supervised and managed through the planning and management of activities (initiation, development and definition of consultation procedures) and active listening to company trade union representatives to ensure compliance with laws and national and Level II bargaining. In this context, Joint Committees, made up of company and union members, play a fundamental role in Level II bargaining, dealing with specific areas to jointly examine material issues and promote initiatives for enhancement and growth within company policies and processes.

The activities of the Joint Bodies operating within the Company – Commercial Policies Committee, New Bank Model Committee, Welfare Committee, Joint Training Body, Anti-Robbery Security Measures Committee, Corporate Observatory, Equal Opportunities Committee and Working Group on environmental sustainability – reinforce the strategic value of the Trade Unions' rights to information and consultation.

The Committees - which met in 13 sessions in 2025 - are divided by scope and subject matter. Specifically, the 'Equal Opportunities' Committee has the task of agreeing female employment indicators at company level, as well as identifying appropriate empowerment policies. The Committee's activity was strengthened for the purpose of finding tangible solutions to enhancing the potential of People, each with their own diversities, acknowledged as factors for the Group's cultural and social growth. Equally significant is the analysis conducted by the Corporate Observatory, a joint body set up to monitor interaction between personnel in the different operating entities through communications models that engage individuals at all levels. Its focus concerns both interpersonal relations, in order to preserve individual identity and maintain a high standard of "quality" of life in the company, and situations potentially harmful to the dignity of people working within the Group.

Listening to employees

For the Group, listening to people continues to be an essential element of the relationship with employees and is carried out systematically by applying different internal tools and channels.

With a view to continuous updating and sharing the most important topics, the Chief Executive Officer continued to be involved. In particular, during the four conference calls – addressed to all staff and concerning the period's financial results – the CEO answered participants' questions live. The main issues that emerged are also addressed on the constantly updated intranet page called "A clear and transparent Bank". Heads of the commercial divisions held 24 live meetings aimed at sharing and improving understanding of the company's guidelines and objectives for the period. On each occasion, participants were able to ask questions or make comments, which were addressed live or after the event on the other internal communication channels. In addition, some commercial functions organised 91 meetings – sometimes also with the collaboration of commercial partners – to present market outlooks.

The effectiveness of involvement

Internal climate surveys and feedback collection continue to be carried out through focus groups and employee satisfaction questionnaires, as well as interactive functions on the company intranet (comments, likes, shares). This enables the entire corporate population to express its views on various aspects of working life within the Group, such as, for example, released applications and various initiatives undertaken.

The practice of one-to-one interviews conducted by human resources managers, also at the direct request of the individual employee, remains in place. In particular, specific listening and feedback activities are dedicated to new recruits in their first months of work, aimed at gathering their degree of satisfaction, their perception of joining the company and any needs or points of attention.

Processes for remedying impacts and channels through which own workers can raise concerns

[S1-3]

The Group promotes, by means of territorial meetings, moments of confrontation and instances of dialogue to encourage opportunities to express any concerns and needs of its workers.

The Group provides employees with appropriate tools for reporting possible violations of the rules of conduct (the "Whistleblowing" system). In particular, through the Whistleblowing system, as governed by the Group's Code of Ethics, each employee is required to actively cooperate in the achievement of high ethical standards, both directly - by doing his or her duty correctly - and indirectly - by reporting any violations of laws, regulations and procedures that could have a negative impact on the Group. Through the dedicated IT platform or via a special telephone service, staff and certain qualified external personnel may report - confidentially - irregular or incorrect circumstances and conduct which they suspect or have become aware of in the course of their duties.

These reports are received by the fraud audit department, which is also in charge of internal investigations. For more details on the complaint handling process as well as on the policies for the protection of employees using the complaint systems, please refer to the reporting in Section 4 - Information on Governance (par. "Policies, objectives and actions related to whistleblowing"). In this context, the online training campaign launched the previous year continued in 2025, and all Group resources were enrolled in it. With regard to inappropriate behaviour defined in the document "Rules on preventing and combating gender-based harassment in the workplace", employees may refer to an internal Protection Committee, which is entrusted with overseeing and managing reports.

The protection of workers' human rights

In line with its Code of Ethics, the Group defines and implements policies and practices aimed at ensuring respect for human rights, dignity, health and safety, as well as the well-being of the people working within it, recognising the central role of the individual as such in the creation of sustainable value. It promotes an inclusive, fair and collaborative working environment, based on the principles of equal opportunities, non-discrimination and meritocracy, ensuring transparent selection, assessment and professional development processes based on objective criteria. Dignified and respectful working conditions, fair remuneration and incentive policies that are neutral with regard to gender and other individual characteristics are guaranteed, as are the protection of freedom of association and the right to collective bargaining.

The Group adopts structured measures to prevent harassment, abuse and conduct harmful to the person and to protect health and safety at work, through an approach focused on risk prevention and the promotion of responsible behaviour, as well as respect for privacy.

Particular attention is devoted to promoting organisational and individual well-being, also through work-life balance tools, welfare policies and the availability of a Group-wide listening and psychological counselling service. The promotion and development of internal skills represent a strategic priority, pursued through organisational models geared towards growth, the sharing of objectives and knowledge and the dissemination of ESG culture at all levels of the organisation. In line with these commitments, the Group operates in compliance with the main international standards and agreements on human rights and labour, including the Universal Declaration of Human Rights, the Conventions of the International Labour Organization, the United Nations Global Compact and the UNEP Principles for Responsible Banking, as well as the International Bill of Human Rights, integrating their principles into its governance models and relations with all stakeholders.

Metrics

This section reports the metrics used by the Group to monitor the effectiveness of the measures taken by the company to manage its workforce. The following tables represent the actual (not estimated and not average) number of active employees at the end of the period, expressed in headcount (HC).

Characteristics and composition of the undertaking's employees

[S1-6]

Template for the submission of information on the number of employees by gender

Gender	Number of employees (in number of people)			
	2025			2024
	Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a)-(b)	
Men	10,875	3,214	7,661	7,760
Women	11,204	2,319	8,885	8,967
Other		-	-	-
Not communicated		-	-	-
Total Employees	22,079	5,533	16,546	16,727

Template for the presentation of the number of employees in countries where the enterprise has at least 50 employees representing at least 10 % of the total number of employees

Country	Number of employees (in number of people)			
	2025			2024
	Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a)-(b)	
Algeria	1		1	1
China	9		9	9
Egypt	1		1	2
France	173	57	116	128
Germany	18	18	0	
India	1		1	1
Italy	21,197	4,782	16,415	16,582
Luxembourg	30	30		
Morocco	1		1	1
Monaco	290	290		
United Kingdom	264	264		
Russia	0			-
S.p.A.in	33	33		
Switzerland	42	42		
Tunisia	1		1	1
Turkey	1		1	2
United States of America	17	17		
Total	22,079	5,533	16,546	16,727

Template for submitting information on employees by type of contract, broken down by gender

Number of people consolidated data	2025				Total
	WOMEN	MEN	OTHER (*)	NOT COMMUNICATED	
Number of employees	11,204	10,875			22,079
Number of permanent employees	11,148	10,800			21,948
Number of fixed term employees	56	75			131
Number of variable-hour employees					0
Number of full-time employees	9,439	10,757			20,196
Number of part-time employees	1,765	118			1,883

of which: Mediobanca Group	WOMEN	MEN	OTHER (*)	NOT COMMUNICATED	Total
Number of employees	2,319	3,214	-	-	5,533
Number of permanent employees	2,268	3,151	-	-	5,419
Number of fixed term employees	51	63	-	-	114
Number of variable-hour employees	-	-	-	-	-
Number of full-time employees	2,102	3,201	-	-	5,303
Number of part-time employees	217	13	-	-	230

Number of people consolidated data net of the Mediobanca Group	2025				Total
	WOMEN	MEN	OTHER(*)	NOT COMMUNICATED	
Number of employees	8,885	7,661	-	-	16,546
Number of permanent employees	8,880	7,649	-	-	16,529
Number of fixed term employees	5	12	-	-	17
Number of variable-hour employees	-	-	-	-	-
Number of full-time employees	7,337	7,556	-	-	14,893
Number of part-time employees	1,548	105	-	-	1,653

Number of people	2024				Total
	WOMEN	MEN	OTHER (*)	NOT COMMUNICATED	
Number of employees	8,967	7,760	-	-	16,727
Number of permanent employees	8,962	7,749	-	-	16,711
Number of fixed term employees	5	11	-	-	16
Number of variable-hour employees	-	-	-	-	-
Number of full-time employees	7,332	7,650	-	-	14,982
Number of part-time employees	1,635	110	-	-	1,745

(*) Gender as specified by employees

Template for submitting information on employees by type of contract, broken down by region

Number of people Consolidated data	2025					
	North	Centre	South	Islands	Foreign	Total
Number of employees	9,337	7,149	3,457	1,254	882	22,079
Number of permanent employees	9,277	7,122	3,445	1,248	856	21,948
Number of fixed term employees	60	27	12	6	26	131
Number of variable-hour employees						0
Number of full-time employees	8,384	6,540	3,248	1,168	856	20,196
Number of part-time employees	953	609	209	86	26	1,883

Number of people Of which: Mediobanca Group	2025					
	North	Centre	South	Islands	Foreign	Total
Number of employees	3,662	493	388	239	751	5,533
Number of permanent employees	3,605	480	376	233	725	5,419
Number of fixed term employees	57	13	12	6	26	114
Number of variable-hour employees	-	-	-	-	-	0
Number of full-time employees	3,515	463	371	223	731	5,303
Number of part-time employees	147	30	17	16	20	230

Number of people Consolidated data net of the Mediobanca Group	2025					
	North	Centre	South	Islands	Foreign	Total
Number of employees	5,675	6,656	3,069	1,015	131	16,546
Number of permanent employees	5,672	6,642	3,069	1,015	131	16,529
Number of fixed term employees	3	14				17
Number of variable-hour employees						0
Number of full-time employees	4,869	6,077	2,877	945	125	14,893
Number of part-time employees	806	579	192	70	6	1,653

Number of people	2024					
	North	Centre	South	Islands	Foreign	Total
Number of employees	5,759	6,689	3,111	1,023	145	16,727
Number of permanent employees	5,757	6,675	3,111	1,023	145	16,711
Number of fixed term employees	2	14	-	-	-	16
Number of variable-hour employees	-	-	-	-	-	-
Number of full-time employees	4,906	6,081	2,907	950	138	14,982
Number of part-time employees	853	608	204	73	7	1,745

With regard to working hours, all contracts are aligned with the provisions of the relevant national collective labour agreement (CCNL).

Number and turnover rate of employees

As at 31 December 2025, the Group's active headcount stood at 22,079, including 5,533 at Mediobanca.

Over the year, the MPS Group (net of Mediobanca) reported:

- 87 new hires, mainly young employees taken on mainly to strengthen the sales network;
- 274 terminations, of which 110 due to resignations.

Since the closing of the transaction, Mediobanca reported:

- 90 new hires, mainly young employees taken on primarily in Front Office and General Management functions
- 108 terminations, of which 97 due to resignations.

As at 31 December 2024, the Group's active headcount stood at 16,727. Over the year, it reported:

- 243 new hires, mainly young employees taken on mainly to strengthen the sales network;
- 256 terminations, of which 131 due to resignations.

The turnover rate (excluding Mediobanca), calculated as the ratio between the total number of terminations (274) and the total number of active human resources (16,546), is 1.66%. In 2024, it stood at 1.53%.

Terminations include employees leaving the workplace on a voluntary basis or due to dismissal, retirement or death in service.

Characteristics of non-employees in the company's own workforce

[S1-7]

The total number of workers who are not employees at the end of the period was 1,788.

Non-employee workers	Number of employees (in number of people)		
	2025		
	Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a) - (b)
Curricular interns	8	0	8
Extra-curricular interns	268	263	5
Self-employed workers (financial advisors and agents)	1,404	826	578
Agency workers	27	25	2
Other (co.co.co)	81	81	0
Total number of non-employees	1,788	1,195	593

In 2024, the Group provided disclosure solely for workers made available by undertakings whose principal activity is "employment activities" (NACE N78 – temporary agency workers), totalling 6. Self-employed workers (financial advisers and agents), on the other hand, numbered 567 in 2024.

Collective bargaining coverage and social dialogue

[S1-8]

All employees in Italy are covered by collective bargaining agreements; therefore, the percentage is 100%.

Reporting template for collective bargaining coverage and social dialogue

Coverage rate 2025	Collective bargaining coverage		Social Dialogue
	Employees - EEA (for countries with > 50 employees representing > 10% of total employees)	Employees - non-EEA (estimate for regions with > 50 employees representing > 10% of total employees)	Workplace Representation (EEA only) (for countries with > 50 employees representing > 10% of total employees)
0-19%			
20-39%			
40-59%			
60-79%			
80-100%	100	97.2*	100

*figure attributable to the Mediobanca Group

2024

Coverage rate 2024	Collective bargaining coverage		Social Dialogue
	Employees - EEA (for countries with > 50 employees representing > 10% of total employees)	Employees - non-EEA (estimate for regions with > 50 employees representing > 10% of total employees)	Workplace Representation (EEA only) (for countries with > 50 employees representing > 10% of total employees)
0-19%			
20-39%			
40-59%			
60-79%			
80-100%	ITA		ITA

Diversity Metrics

[S1-9]

Employees		2025			2024
		Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a)-(b)	
Total number of senior management members* by gender	No.	98	19	79	72
	Of which Men	No. 76	15	61	55
		% 77.55%	78.95%	77.22%	76.40%
	Of which Women	No. 22	4	18	17
		% 22.45%	21.05%	22.78%	23.60%
Total number of employees by age range		No. 22,079	5,533	16,546	16,727
Less than 30 years	NO.	975	645	330	361
	%	4.42%	11.66%	1.99%	2.20%
Between 30 and 50 years of age	NO.	10,481	3,305	7,176	7,923
	%	47.47%	59.73%	43.37%	47.40%
Over 50 years of age	NO.	10,623	1,583	9,040	8,443
	%	48.11%	28.61%	54.64%	50.60%

* For the Group (excluding Mediobanca), this refers to the first and second levels reporting to the management and control bodies: for the Parent Company, Chief and First Levels; for Group Companies, the General Manager, if any. For Mediobanca, this means first-level Key function holders and management and control bodies.

Adequate wages

[S1-10]

The Group ensures a fair level of remuneration for all staff, in compliance with supervisory provisions and the provisions of the CCNL. To ensure internal consistency, gender neutrality and alignment with best practice, the Group assesses the positioning of employees' remuneration packages against the reference market, also with the support of specialist consultants and always in full compliance with company-level bargaining and the CCNL in force from time to time. This approach makes it possible to maintain the competitiveness of the remuneration package and to support the attraction and retention of key staff (for further details, see the current "Report on remuneration and fees paid"). In addition to the actions already taken in this regard, the Group actively participates in sector working groups on issues related to regulatory developments concerning EU Directive 2023/970 of 10 May 2023 (so-called "Pay Transparency Directive"), with a view to progressive and rapid alignment with the future Italian regulatory framework.

Social protection

[S1-11]

Employees with a subordinate employment relationship (Italy contract) with one of the companies of the Group are covered against the various cases of loss of employment income by the protections provided by Italian law. For the Parent Company and for Banca Widiba, the provisions of the National Collective Bargaining Agreement (CCNL) for the Credit Sector in Italy and of the MPS Supplementary Agreement also apply. For MPS Tenimenti and MPS Magazzini Generali Fiduciari, the regulations of the National Collective Bargaining Agreements adopted in those companies apply. More specifically, the following covers are provided for the Parent Company and Widiba:

- loss of income due to illness: salary and job preservation for increasing periods based on seniority, up to 36 months (Credit Sector CCNL), NASPI indemnity for 24 months following any dismissal (Italian Law), child/spouse recruitment in the case of premature death (MPS Supplementary Agreement);
- loss of income due to unemployment: NASPI indemnity for the 24 months following any dismissal (Italian Law);
- loss of income due to work injury and resulting disability: preservation of salary and job for increasing periods based on seniority, up to 36 months (Credit Sector CCNL), indemnified leave for disability (Italian law), benefits for approaching retirement (Italian law), NASPI indemnity for 24 months following dismissal (Italian law), insurance cover for permanent disability/death from accident (Italian law and MPS Supplementary Agreement), child/spouse recruitment in case of premature death (MPS Supplementary Agreement);
- loss of income due to parental leave: job preservation and indemnity for compulsory and optional leave (Italian Law), in addition to salary top-ups (Credit Sector CCNL);
- loss of income due to retirement: extraordinary income support allowance within 5 years of AGO (credit sector fund for post-employment benefits) pension entitlement, allowance according to AGO pension rules (Italian law), receipt of supplementary pension benefit (MPS Pension Funds / MPS Fund).

The following are the cases provided for by MPS Tenimenti and MPS Magazzini Generali Fiduciari:

- loss of income due to illness: preservation of salary and job for increasing periods according to seniority, indemnity for 12/24 months following possible dismissal (Italian law);
- loss of income due to unemployment: NASPI indemnity for the 12/24 months following any dismissal (Italian Law);
- loss of income due to work injury and resulting disability: preservation of salary and job for increasing periods based on seniority, indemnified leave for disability (Italian law), benefits for approaching retirement (Italian law), indemnity for 12/24 months following dismissal (Italian law), insurance cover for permanent disability/death from accident (Italian law);
- loss of income due to parental leave: job preservation and indemnity for compulsory and optional leave (Italian Law);
- loss of income due to retirement: allowance according to AGO pension rules (Italian law).

MPS Pension Funds

As part of the welfare system provided for by the Group, in relation to the loss of income due to retirement, the MPS Pension Fund and the MPS Welfare Fund have been introduced from 2020 as forms of supplementary pension system, with the possibility of membership also extended to the tax-dependent family members of Group employees. The

allocation is based on ESG criteria and both funds have, for some years, been signatories to the UNPRI Protocol (*Principles for Responsible Investment*).

Furthermore, in accordance with current regulations, both pension funds have approved and published documents on their websites containing information relating to disclosure of the commitment policy and policies incorporation of sustainability risks into the investment decision-making processes. The funds also define the monitoring methods and ESG reporting plan, for each segment envisaging quantitative analysis of the sustainability factors implemented by specific indicators for each aspect: environmental, social and governance.

In 2025, the process of updating the strategic asset allocation was completed, implementing the approach in compliance with the ESG principles set out in the Funds' Sustainability Policy; in order to focus their commitment, the Funds identified certain ESG issues as priorities for their sustainability policy, using as the reference framework for their choices that defined by the 17 Sustainable Development Goals (hereinafter the "Goals" or SDGs) and the 169 underlying targets defined by the UN 2030 Agenda.

The issues addressed by the SDGs – relating, among other things, to poverty, hunger, health and well-being, education, equality, inclusive development, energy transition, biodiversity, peace and justice – underpin public programmes and policies adopted by the major countries and represent a point of reference for global investors.

Following a materiality analysis carried out within their governing bodies, the Funds identified the following 5 Goals as the most representative, taking into account their core values, the characteristics of their membership base and other interested stakeholders, including the sustainability strategy defined by the Group:

- Goal 3 "**Good Health and Well-being**" aims to ensure healthy lives and promote well-being for all at all ages, by achieving universal health coverage and supporting research into and the development of vaccines and medicines for communicable and non-communicable diseases;
- Goal 5 concerns "**Gender Equality**", namely achieving gender equality and empowering all women and girls, ensuring them equal access to education, decent work, healthcare and representation in economic and political decision-making processes;
- Goal 8 concerns "**Decent Work and Economic Growth**", namely promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all;
- Goal 13 "**Climate Action**" focuses on the need to strengthen adaptive capacity to climate-related hazards and natural disasters and to combat climate change and its impacts by promoting reductions in greenhouse gas emissions;
- Goal 16 concerns "**Peace, Justice and Strong Institutions**", namely promoting peaceful and inclusive societies for sustainable development, ensuring access to justice for all and building effective, accountable and inclusive institutions at all levels.

Also in 2025, the MPS Pension Fund completed the activity relating to investment in private markets through instruments with strategies that explicitly integrate environmental and/or social considerations into investment management (Art. 8 SFDR - regulation on sustainability-related disclosures in the financial services sector, forming part of the EU Action Plan on Sustainable Finance) and with products that have sustainable investment as their objective (Art. 9 SFDR - regulation on sustainability-related disclosures in the financial services sector, forming part of the EU Action Plan on Sustainable Finance).

Persons with disabilities

[S1-12]

Persons with disabilities

The proportion of the Group's own employees with disabilities is 6% (of whom 52% men and 48% women).

For Mediobanca, the proportion is 5% (of whom 51% men and 49% women). Excluding Mediobanca, the figure stands – as in 2024 – at 6% (of whom 52% men and 48% women).

The criteria that identify persons considered “disabled” under Law 68/1999 are set out in Article 1 of the Law. Each year, in compliance with the regulations in force, the Group checks, on the basis of the overall workforce, the number of disabled workers to be included and proceeds, normally in agreement with Employment Centres (Provincial Offices of the Ministry of Labour responsible for compulsory employment) to recruit disabled workers.

There are also additional workers – not included in the figure indicated – who fall within the “other protected categories” referred to in Article 18 of Law 68/1999; these are workers for whom, although not disabled, a percentage of compulsory recruitment in companies is reserved (e.g. orphans of persons who died as a result of work, refugees).

Training and skills development metrics

[S1-13]

Number and percentage of employees receiving a review

The tables reported below show the total number of employees who received a performance review broken down by gender and category.

The Group headcount and percentage figures are calculated on the basis of the total number of employees as at 31 December 2024 (reference year of the assessment). Each recipient of a review record is counted, according to the provisions of relevant internal rules, of the following Group companies: the Parent Company, Widiba, MPS Fiduciaria, MPS Tenimenti and Magazzini Generali Fiduciari Mantova (MGFM). With regard to the consolidated figure net of the Mediobanca Group, the employees not assessed relate to new joiners.

Number of employees receiving performance evaluations - breakdown by gender

Percentage of employees receiving a performance evaluation	2025			2024
	Consolidated data (a)	of which: Mediobanca Group net of Mediobanca (b)	Consolidated data Group (c) = (a)-(b)	
Women	98.21%	93.79%	99.35%	99.67%
Men	97.84%	94.96%	99.03%	99.39%
Total	98.03%	94.47%	99.20%	99.54%

Number of employees receiving performance reviews - breakdown by category

Percentage of employees receiving a performance evaluation	2025			2024
	Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a)-(b)	
Executive managers	93.35%	91.61%	100.00%	98.73%
Middle Managers	98.20%	94.05%	99.98%	99.87%
Professional Areas (and other qualifications, including qualifications not included in the CCNL Credit Agreement)	98.20%	95.75%	98.73%	99.37%
Total	98.03%	94.47%	99.20%	99.54%

Average number of training hours

The tables below show the average number of training hours by gender and by employee category. The data were calculated by extracting the traces of training delivered from 1 January 2025 to 31 December 2025 and the list of all courses completed by each resource accessing the platform during the reference period. Subsequently, the training hours provided were allocated to each resource. Only the hours of the courses that each employee completed during the year are taken into account. For the Mediobanca Group, the training considered is only that delivered from 30 September to 31 December 2025; the consolidated figure includes Banca MPS, Widiba and MPS Fiduciaria, MPS Tenimenti and MGFM.

Average number of training hours by gender

Average number of training hours by employee	2025			2024
	Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a)-(b)	
Women	34.8	6.7	42.2	41.8
Men	30.8	7	40.9	41.1
Total	32.8	6.9	41.6	41.5

Average number of training hours by employee

Average number of training hours by employee	2025			2024
	Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a)-(b)	
Executive managers	10.5	5.3	32	28.5
Middle Managers	31.6	6.3	42.5	42.1
Professional Areas (and other qualifications, including qualifications not included in the CCNL Credit Agreement)	35.2	8	41.2	41.3
Total	32.8	6.9	41.6	41.5

The 3D Approach model also allowed for the following in 2025:

- a reduction in serious and very serious gaps in favour of slight and insignificant gaps;
- an optimisation of the average annual per capita training hours, as investment in "tailor-made" training directs the time devoted to training towards actual needs (skill gap).

Finally, there was an increase in the number of resources with training hours in the 40-60 hour range.

Health and safety metrics

[S1-14]

Health and safety metrics

Workers covered by an occupational health and safety management system	2025			2024
	Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a)-(b)	
Number of employees covered by the health and safety management system (No.)	21,656	5,533	16,123	16,305
Percentage of employees covered by the health and safety management system (%)	98.15%	100.00%	97.44%	97.48%

Note: The required data on the total number of non-employees whose work and/or workplace is controlled by the organisation are not available. The calculation of the percentage was made by considering the ratio between the workers of the certified companies (BMPS and MGFM) and the total number of workers considered in the scope of the Annual Financial Statements.

Accidents in the workplace	2025			2024
	Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a)-(b)	
Total number of fatalities due to occupational accidents (No.).	0	0	0	0
Total number of serious accidents at work (excluding fatalities) (No.)	2	0	2	0
Total number of recordable accidents in the workplace (No.)	71	20	51	53
Hours worked (No.)	26,771,312.62	2,489,850.00	24,281,462.62	24,737,728.00
Rate of fatalities due to occupational accidents	0	0	0	0
Rate of serious accidents at work (excluding fatalities)	0	0	0	0
Rate of recordable accidents in the workplace	2.65	8.03	2.10	2.14
Accidents to/from workplace	125	18	107	92
Accident rate to/from workplace	4.67	7.23	4.41	3.72

Note: The required data on the total number of non-employees whose work and/or workplace is controlled by the organisation are not available.

Occupational illness	2025			2024
	Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a)-(b)	
Number of employees with occupational illness (No.)				
Total number of recordable cases of occupational illness	0	0	0	0
of which fatalities caused by occupational illness	0	0	0	0
number of days lost due to work-related injuries, work-related illnesses and fatalities resulting from illnesses	0	0	0	0

Note: The required data on the total number of non-employees whose work and/or workplace is controlled by the organisation are not available.

Work-life balance metrics

[S1-15]

The Group is committed to welfare policies, which aim to create value for people and improve the corporate climate: every aspect of welfare in the Group is aimed at supporting colleagues and their families in financial, social and work/life balance terms, contributing to the increase in satisfaction, wellbeing, loyalty and productivity.

Welfare is a core element of second-level bargaining, which was updated for the main provisions in July 2025. It is a point of reference for all colleagues, thanks to the constant dialogue with the trade unions. This model was also extended to personnel making recourse to the sector Solidarity Fund and for the entire period of such recourse.

Within a framework of overall financial sustainability, internal welfare has been supplemented over time with assets and services that meet the changing needs of employees, retired personnel and their families (currently over 50,000 individuals).

Benefits are granted to all staff regardless of contract type and working hours (part-time or full-time). All employees are entitled to leave for family reasons. When returning from parental leave, job preservation is fully guaranteed. Furthermore, note that parental leave may be taken for children up to the age of 12, in accordance with laws in force. With the update to the second-level bargaining agreement in July 2025, particular attention was paid to parents through leave for specific needs (paternity leave and children's school enrolment).

During 2025, a total of 4,241 employees (or 19% of eligible staff) took parental leave, of whom 1,535 were men (or 14% of eligible men) and 2,706 women (or 24% of eligible women).

For the Mediobanca Group, as at 30 September 2025, a total of 342 employees (equal to 6% of eligible staff) took family leave, of whom 150 were men (equal to 5% of eligible male staff) and 192 were women (equal to 8% of eligible female staff).

Excluding the Mediobanca Group, a total of 3,899 employees (equal to 24% of eligible staff) took family leave, of whom 1,385 were men (equal to 18% of eligible male staff) and 2,514 were women (equal to 28% of eligible female staff).

In 2024, a total of 3,769 employees (equal to 23% of eligible staff) took family leave, of whom 1,323 were men (equal to 17% of eligible male staff) and 2,446 were women (equal to 27% of eligible female staff).

Family leave		2025			2024
		Consolidated data (a)	of which: Mediobanca Group (b)	Consolidated data net of Mediobanca Group (c) = (a)-(b)	
Total number of employees who took family leave, by gender	No.	4,241	342	3,899	3,769
% of eligible staff	%	19%	6%	24%	23%
Of which Men	NO.	1,535	150	1,385	1,323
	%	14%	5%	18%	17.00%
	NO.	2,706	192	2,514	2,446
	%	24%	8%	28%	27.00%
Of which Women					

As at 31 December 2025, the return-to-work rate after parental leave was approximately 92%, and the retention rate 12 months after leave (excluding the Mediobanca Group) was approximately 99%⁶¹, with an even percentage for women and men.

In 2024, the return rate after parental leave was approximately 94%, and the job retention rate 12 months after leave was approximately 98%³⁹, with an equal percentage of 99% for women and 98% for men.

Remuneration metrics (pay gap and total remuneration)

[S1-16]

The Group pays special attention to the issue of gender pay equality at all levels. The gender pay gap is defined as the difference between the average hourly remuneration paid to female employees and that paid to male employees. For 2025, the percentage delta between the average gross hourly wage of male employees and the average gross hourly wage of female employees corresponded to 29.4%. For the Mediobanca Group, the difference was 44.8%, while excluding the latter the difference was 11.4% (11.35% in 2024).

Gender Pay Gap	2025			2024
	consolidated data	of which: Mediobanca Group	consolidated data net of the Mediobanca Group	
	29.4%	44.8%	11.4%	11.35%

The gender pay gap was also analysed by employment category: executives, middle managers and white-collar workers and amounted to 30.8%, 14.7% and -1% respectively. For the Mediobanca Group, the difference was 33.1%, 22.1% and 0.5%, respectively, while excluding the latter the difference was 16.2%, 6.7% and -1%.

The Group adopts specific measures and mitigating actions aimed at promoting gender balance and equal pay for equal work, equal experience and the other objective elements required by the EBA Guidelines (Equal Pay). The objective

⁶¹ The percentage below 100% is due to voluntary resignations from service.

approach to position weighting helps ensure that the remuneration policy is gender-neutral and makes it possible to pursue equal pay, as evidenced by the substantial stability of the Group's gender pay gap compared with the previous year (excluding the Mediobanca Group).

The expansion of the Group workforce, with highly specialised positions for which a greater presence of male workers is found in the Mediobanca Group, resulted in a wider gap in the Group indicator.

For 2025, the total remuneration ratio, calculated as the ratio of the annual gross total remuneration of the highest-paid person to the median annual gross total remuneration of the remaining employees (excluding that person), was 66.1. For the Mediobanca Group, the ratio was 58.3 and, excluding the latter, the ratio stood at 21.7.

Total remuneration ratio	2025			2024
	consolidated data	of which: Mediobanca Group	consolidated data net of the Mediobanca Group	
	66.07	58.26	21.72	8.97

Incidents, complaints and severe human rights impacts

[S1-17]

No evidence has been found of legal and/or out-of-court claims relating to episodes of violations by the workforce of rights relating to gender equality (against four relevant reports on the topic of "sexual harassment in the workplace"), in line with the previous year. More generally, the absence of judicial and/or extrajudicial applications on the subject of serious human rights incidents is confirmed.

ESRS S2 - Workers in the value chain

This section illustrates, in relation to the management of "workers in the value chain", the policies and actions adopted to manage the topic, as well as the processes through which the Group monitors the effectiveness of its policies and actions. It also illustrates the channels through which workers in the value chain can express their concerns.

The information reported is directly related to and dependent on the specific elements (in terms of impacts) identified as material following the double materiality analysis (further details are provided in the Double Materiality Analysis section of this document).

The detailed breakdown of the material elements (including evidence of the value chain segment to which they relate and the relevant time horizon) is provided in the dedicated table (also included in the Double Materiality analysis section).

With reference to the various initiatives and lines of action illustrated later in this section, it should be noted that the Group has provided for specific investments and the allocation of dedicated resources to support their definition and development.

Based on assessment criteria defined internally, it is confirmed (in line with the approach adopted in the previous reporting period) that the financial commitments allocated overall to these areas of action, both in terms of capital expenditure (CapEx) and operating expenses (OpEx), are to be considered not material.

Policies, Actions and Targets on workers in the value chain

The process of mapping impacts, risks and opportunities in relation to workers in the upstream and downstream value chain resulted in the identification of material impacts in relation to the upstream value chain only. Therefore, with regard to the topics "working conditions" and "other work-related rights", the following paragraphs describe policies, actions and targets defined by the Group associated with the workforce belonging to the upstream value chain.

Working conditions and other labour-related rights

Issues related to the upstream value chain, working conditions and other labour-related rights are covered in this section.

Worker-related policies in the value chain

[S2-1]

The Group's Code of Ethics⁶² is the document that governs the guiding principles, values and rules of conduct that complement the legal and regulatory obligations for workers in the upstream value chain. The Group is committed to fostering the adoption of the same among its subsidiaries, associates, business partners, consultants and collaborators in order to guide behaviour based on ethical and professional standards.

This document reflects the Group's commitment to structuring relations with its suppliers based on fairness and transparency. Transparency, cooperation, fairness and integrity are also promoted, avoiding situations of conflict of interest or unlawful behaviour. To this end, the Group also relies on the controls set out in the "Group Directive on the management of internal systems for reporting breaches"⁶³, which ensures secure and confidential channels for reporting non-compliant conduct.

Application of the Code is ensured through the internal control system, which is an essential element of the overall governance system of a company. More specifically, suppliers are sensitised to providing their services in line with standards of conduct consistent with those indicated in the Code of Ethics. In fact, on the basis of contracts and general purchasing conditions, suppliers are required to expressly accept, by means of a specific form, the declaration of

⁶² For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

⁶³ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

commitment not to engage in behaviour that conflicts with the provisions of the Group's Code of Ethics. Therefore, suppliers, in compliance with their contractual purchasing conditions, are directed to respect the rights of their workers and the responsible handling of any resulting social criteria. The Group also undertakes to respect the United Nations Universal Declaration of Human Rights, promoting the protection of human rights, including the principles on Child Labour and Forced Labour.

For more details on the Group's Code of Ethics, please refer to the section "Policies, Actions and Targets on Business Conduct" in "Section 4 - Governance Information".

In managing relations with actors in the upstream value chain, the Group also complies with the provisions of the organisational, management and control model for the prevention of offences under Legislative Decree 231/01, which sets out rules of conduct to be observed in selecting the supply chain, in line with the "Group Directive on Expenditure and Supplier Management", which governs the qualification, assessment and monitoring processes for business partners. The Group is also committed to selecting its suppliers by considering occupational health and safety related aspects and promoting joint initiatives for management and the resolution of any risk situations with a view to mutual cooperation. It is also committed to adopting a procurement policy that protects the health and safety of workers, the environment and people in general. Safeguarding working conditions is also supported by the Group Health and Safety Policy, the Group Directive on Physical Security (in line with the internal Group Directive on occupational health and safety) and the Group Directive on Sustainability and ESG.

The constant involvement of suppliers, in order to ensure the protection of their interests, takes place through the Stakeholder Management process overseen by the Purchasing Department. For more details on stakeholder engagement, please refer to "Section 1 - General Information" of this document on the "Stakeholder Engagement" process.

To date, no cases of non-compliance with the UN Guiding Principles, the ILO Declaration or the OECD Guidelines with regard to workers in the upstream value chain have been detected at Group level.

Worker-related actions in the value chain

[S2-4]

The following initiatives involve all of the Group's suppliers and external service providers, including professionals, companies and foreign businesses, and are part of the Group's normal practice regarding the management of supply relationships.

The Group is committed to adopting standards of supplier selection and management in order to encourage compliance with social and human rights criteria throughout the supply chain. Suppliers are selected based on an assessment process that, in the pre-selection, award and supply contract finalisation stage and through specific questions, provides for the express assessment of compliance with regulations on labour law, National Collective Labour Agreement application, and payment of contributions (DURC) as certified by the Single Document of Contribution Regularity (hereinafter also DURC) the possession of ESG certification of the counterparty. During the registration of documents concerning the 231 Compliance Statement (with references to anti-corruption legislation) and anti-mafia legislation, specific questions on certification and the Code of Ethics are also requested. The provisions of the Code of Ethics that the counterparty may have must not conflict with the provisions of the Group Code of Ethics.

By applying Model 231, the Group adopts specific guidelines to ensure the utmost correctness in managing relations with suppliers. In doing so, it prevents unlawful acts and administrative offences for which it could be held liable.

All parties involved in the procurement chain must maintain conduct based on:

- objectivity, transparency, equal opportunities, professionalism and cost-effectiveness in the selection of suppliers and in defining contractual terms, using official information sources during the initial assessment and subsequent checks;
- compliance with anti-mafia requirements, with the supplier obliged to declare its ownership/beneficial owner and submit the documentation required for identification;
- a declaration that no corruption convictions exist, in order to prevent relations with indicted parties;
- fairness, loyalty and transparency in relations with the State, the European Union and public bodies;
- rejection of any form of unlawful compensation linked to the performance of one's functions;

- compliance with applicable legislation, Authority regulations and internal procedures on delegations and spending powers;
- strict observance of anti-money laundering legislation (Legislative Decree 231/2007) in relations with suppliers;
- careful selection of suppliers for waste transport and disposal, verifying register enrolments, authorisations and environmental compliance;
- verification of technical and professional suitability, especially in work requiring temporary or mobile construction sites, by assessing organisational capabilities, human and instrumental resources in accordance with Article 26 and Title IV of Legislative Decree 81/08.

For specific product categories, for which workers' physical wellbeing and moral character are of key importance, the commitment focuses strongly on examining the supplier's economic and financial conditions and the level of protection for workers. To achieve this, investigative tools are used to check that authorisations and permits have been issued, prevention and safety measures have been adopted and specialised training has been provided. The Group's anti-corruption policies and procedures are communicated to individual suppliers, covering 100% of suppliers with whom there is a business relationship.

At the same time, at Group level, checks are conducted on an annual basis to verify any updates in the documentation that the supplier counterparty has made available to the Group regarding its social sustainability. This process makes it possible to monitor whether suppliers have not met their obligations at the time of registration in the Group's Suppliers Register. In addition, if a new lawyer is appointed, s/he must sign contractual documentation. The Group has identified the Purchasing Department as the function dedicated, on a priority basis, to collecting the documentation and verifying the existence of supplier requisites, for the purpose of registration in the Group's Supplier Register.

The Control functions carry out the verification activities concerning the extent and compliance of the data protection programmes used by the Group's suppliers and business partners. Furthermore, data protection is also ensured in contractual or collaboration agreements with third parties, by means of specific clauses aimed at clearly defining roles and responsibilities in the area of privacy.

Based on the analyses carried out by the functions involved, no serious human rights problems or incidents in the upstream value chain have been reported to date.

Targets on workers in the value chain

[S2-5]

The Group has not, to date, defined any specific targets to deal with the issue of value chain workers.

However, the effectiveness of the policies and actions adopted in this regard is ensured through the monitoring of specific indicators in order to ensure supply chain management aimed at respecting the principles of social and environmental sustainability. In this regard, the verification, in the years following those of the first contractualisation, of the existence of the requisites for registration in the Group's Supplier Register, as well as the controls carried out by the Control and Internal Audit functions, guarantee the effectiveness of the policies and actions undertaken by the Group to protect the rights of workers in the upstream value chain and to pursue the development of relations with suppliers marked by respect for the human rights of their workers.

During 2025, 100% of the new suppliers (230 in total) were assessed according to environmental criteria, in accordance with international standards. The verification activity described is carried out continuously in relation to each new supplier.

The adoption of specific targets to deal with this issue will be evaluated in the future to ensure continuous improvement of the Group's commitment to workers in the value chain.

Process of involving workers in the value chain on impacts

[S2-2]

Although the Group does not have a formalised process for involving suppliers' workers, either directly or through representatives, it does believe that the requirements assessed when signing contracts with suppliers make it indirectly possible to assess respect for the rights of workers.

In particular, in the supplier evaluation stage, a questionnaire is submitted, with answers where the supplier with certification is given a score. Suppliers holding such certifications obtain scores that also assume greater relevance at the stage of selection for the award of the supply/service.

At the registration stage, all suppliers are also required to provide a self-declaration on the application (where required) of the relevant national/regional collective labour agreements.

Processes to remediate negative impacts and channels for workers in the value chain to raise concerns

[S2-3]

In order to prevent and/or remedy the concerns of workers in the value chain, the Group provides channels of free access also to external parties, such as the Whistleblowing system. This system helps to monitor and prevent the risks to which the Group may be exposed as a result of facts and conduct contrary to external regulations, company rules, internal procedures and its own Code of Ethics, thereby contributing to the implementation of sustainability policies and promoting their integrity and fairness.

Moreover, access is through institutional channels, and therefore the system may also be accessed by any employees or staff not only of the Group, such as employees belonging to companies that provide goods or services or perform work for third parties and perform or have performed their work for the Group. For more details on the effectiveness of the Whistleblowing system, as well as on the safeguards and protection measures for whistleblowers, please refer to the section "Protection of Whistleblowers" within Section 4 - Governance Information of this document.

Protection of workers' human rights in the value chain

[S2-4]

The Group protects the human rights and fundamental rights of workers employed throughout its supply chain, basing its relations with suppliers and partners on principles of integrity, professional fairness, transparency and responsibility, with respect for human dignity and non-discrimination. The Group's values and behavioural principles are formalised in the Group Code of Ethics, which commits all addressees to comply with applicable regulations and the national and international agreements to which the Group adheres, and applies to all activities and initiatives involving third parties.

In carrying out its activities, the Group relies on the support of suppliers selected according to principles of integrity, transparency and social responsibility, promoting relationships based on professional fairness and respect for fundamental human rights, in line with the principles of its Code of Ethics. To this end, the Group promotes the adoption of responsible practices throughout the value chain, preventing any form of improper or discriminatory conduct and encouraging ethical behaviour and respect for working conditions through collaborative, long-term relationships geared towards continuous improvement and the creation of shared value throughout the value chain; verification of respect for fundamental rights at work, ensuring full compliance with rules on Child Labour and Forced Labour, as well as with Occupational Health and Safety Management Systems, and prohibiting any form of exploitation or human trafficking; promoting awareness of social responsibilities among trading partners too, making them aware of sustainability issues and the protection of fundamental rights.

The Group is committed to adopting standards of supplier selection and management in order to encourage compliance with social and human rights criteria throughout the supply chain. Any initiative involving Group companies and a supplier must be carried out in compliance with internal company regulatory documents and the standards of conduct set out in the Contracts and General Purchase Conditions governing the provision of services by third parties.

Consistent with the principles of integrity, transparency and fairness, the Group promotes relations that avoid any form of improper or discriminatory conduct; verifies compliance with fundamental rights at work and the prohibition of Child

Labour and Forced Labour; protects freedom of association and collective bargaining; raises partners' awareness of sustainability issues and the protection of fundamental rights; and requires consistency with the values set out in its Code of Ethics.

ESRS S3 - Affected communities

This section illustrates, in relation to the management of "affected communities", the policies and actions adopted to manage the topic and seize material opportunities, as well as the processes through which the Group monitors the effectiveness of its policies and actions relating to the material impacts and opportunities linked to the topic.

The information reported is directly related to and dependent on the specific elements (in terms of impacts and opportunities) identified as material following the double materiality analysis (further details are provided in the Double Materiality Analysis section of this document).

The detailed breakdown of the material elements (including evidence of the value chain segment to which they relate and the relevant time horizon) is provided in the dedicated table (also included in the Double Materiality analysis section).

With reference to the various initiatives and lines of action illustrated later in this section, it should be noted that the Group has provided for specific investments and the allocation of dedicated resources to support their definition and development.

Based on assessment criteria defined internally, it is confirmed (in line with the approach adopted in the previous reporting period) that the financial commitments allocated overall to these areas of action, both in terms of capital expenditure (CapEx) and operating expenses (OpEx), are to be considered not material.

Policies, actions and targets related to the affected communities

Territory-related impacts

Related to this paragraph are the issues concerning the **impacts linked to the territory**, with reference to the policies, processes and safeguards defined by the Group in order to guarantee support to the reference communities from an urban, cultural and youth employability point of view and in some specific sectors of the economy.

Policies related to affected communities

[S3-1]

The Group pursues the social and environmental development of the community in which it operates through professional development initiatives, events dedicated to career guidance, the promotion of financial education programmes, actions supporting the more vulnerable groups and the promotion of artistic heritage (banking and national), in line with a framework of policies and controls aimed at governing the protection and enhancement of cultural heritage and support for social and local initiatives (Group Directive on Communication and External Relations, Management of the historical archive, Management of artistic heritage and Management of sponsorships and fundraising⁶⁴).

Effective oversight of the ways in which current and planned actions are planned and implemented is ensured by the Group framework of policies and regulatory controls, including the Directive on Sustainability and ESG, the Montepaschi Group Code of Ethics and the Group Directive for the Management of prescriptive compliance obligations under Legislative Decree 231/2001 on administrative liability³⁹.

⁶⁴ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

Actions related to affected communities

[S3-4]

This section sets out the main actions implemented by the Group in support of the community, in relation to the area in which it operates. Microcredit and trust initiatives, career guidance for school and university students in support of the agri-food sector, and the promotion of cultural initiatives aimed at disseminating knowledge in the art world.

Microcredit

In 2006⁶⁵, Banca MPS played a decisive role in the establishment of **Microcredito di Solidarietà S.p.A.**⁶⁶, together with other parties (for example the Municipality and Provincial Administration of Siena, the Diocese of Siena and Montepulciano), to meet the financial needs of individuals and families who have difficulty accessing ordinary bank lending channels and help them overcome temporary economic hardship or start new business activities.

The Company disburses from its own funds, deriving from the initial injection from shareholders and subsequent contributions of shareholders without obligations to repay funds.

At the Shareholders' Meeting on 16 September 2025, the transformation of Microcredito di Solidarietà into a Social Enterprise was approved, pursuant to Legislative Decree No. 112 of 3 July 2017, as amended: this transformation, consistent with the provisions of the Consolidated Banking Act and the legislation on Social Enterprises, maintains as its primary purpose the granting of financing to natural persons in conditions of economic and social hardship and allows Microcredito di Solidarietà to continue supporting the communities residing in the provinces of Siena, Grosseto, Arezzo and Massa Carrara, focusing its commitment on natural persons and carrying out, on a stable basis, an enterprise activity of general interest, without profit motive and for civic, solidarity and social utility purposes, adopting responsible and transparent management methods and encouraging the broadest possible involvement of workers, users and other interested parties.

Following the transformation, the Company's name was changed by adding the designation Social Enterprise, and the object and purpose of the Company itself were amended, confirming its non-profit nature and the prohibition on distributing profits and operating surpluses. In practical terms, apart from the necessary organisational measures to be adopted in line with the rules laid down for the new company form, Microcredito di Solidarietà S.p.A. continues to operate in line with the past, focusing exclusively on social microcredit and no longer on micro-enterprises.

The following financing conditions apply:

- Maximum amount that may be granted: EUR 10,000
- Applied rate (TAN): 3%
- Default rate: + 2 points (5%)
- No commission and no application processing fee
- No early repayment charge
- Stamp duty paid by the applicant.

The number of loans disbursed in 2025 increased compared with 2024, rising from 150 to 159, while the volume of loans showed a significant increase compared with the previous year, with an amount disbursed during 2025 of EUR 626,500 (compared with EUR 588,764 in 2024).

MPS Fiduciaria

Following on from the achievements of past years in relation to trust services for the protection of vulnerable people, Monte Paschi Fiduciaria (MPS Fiduciaria) promoted the signing of various memoranda of understanding on "banking, insurance and trust services" between the Bank and associations operating in Tuscany, particularly the Siena area, to benefit families with members suffering from severe disabilities. The protocol provides for a commercial offering, on preferential terms, of a range of products/services considered useful for the needs of disabled persons and their families, such as: account terms, motor liability insurance, personal loans for the purchase of electro-medical equipment, mortgages for the purchase or renovation of property, trusts and fiduciary services.

⁶⁵ When it was established, the Company was registered in the general list of financial intermediaries pursuant to art. 106 of the Consolidated Law on Banking.

⁶⁶ Microcredito di Solidarietà S.p.A. is not within the NFS reporting scope (see 4.2 Methodological Note)

Again with regard to disabilities, MPS Fiduciaria has:

- provided specific training to users interested in trusts as a means of protection of disabled persons;
- acted as "escrow agent" for major "green" financing operations carried out by the Bank, ensuring the proper execution of the agreements and therefore the appropriate use of the funds disbursed;
- contributed, through the customary technical forms of mandate and trust, to providing stability to the corporate governance of numerous companies that are Bank customers, especially on occasions of generational succession and ownership changes.

In a coherent and complementary manner, Banca Widiba has supplemented fiduciary and protective initiatives with a series of projects with a strong social impact, promoting meetings and solidarity initiatives in 2025 aimed at spreading the values of solidarity, inclusion and respect for differences. These included disability awareness events, such as the meeting with Marina Cuollo, dedicated to overcoming stereotypes through dialogue and direct testimony, as well as volunteering and solidarity team-building initiatives, such as Clown Day in residential care homes (RSA), which actively involved employees in activities benefiting vulnerable people.

Similarly, Mediobanca also promotes social inclusion by supporting various initiatives, including:

- Refugee minors in Italy: support for the UNHCR (United Nations High Commissioner for Refugees) programme aimed at fostering the reception and social, educational and professional integration pathway of unaccompanied foreign minors;
- INSIEME Project: developed with Compass, Mediobanca Premier, CUS Milano Rugby and the Municipality of Milan to encourage sports activity among young people in vulnerable contexts and redevelop outlying sports facilities;
- Fondazione Cometa: support for training pathways in the textile sector, aimed at the employment of young people and the development of innovative and sustainable skills;
- VIDAS: contribution to healthcare and social care services for patients with incurable conditions, with particular attention to minors;
- San Fedele Association: support for assistance initiatives aimed at people in conditions of health and social vulnerability;
- Charitable initiatives for children: support for paediatric oncology treatment and research programmes through fundraising, solidarity initiatives and the involvement of employees and customers, including in collaboration with organisations such as the Italian League for the Fight against Tumours, Dynamo Camp, OVCI (Volunteer Organisation for International Cooperation), AIRC (AIRC Foundation for Cancer Research ETS) and Cancer Research UK, with the contribution of CMB Monaco as well.

The Group also promoted events for in-depth discussion and awareness on relevant social issues, such as combating gender-based violence, through collaboration with Casa Rifugio Antigone, extending involvement to other Group entities as well. Alongside this, consolidated initiatives such as *Scatole di Natale* and *Solidarietà sotto l'albero* strengthened ties with the local area and the corporate community, encouraging the active participation of employees, schools and citizens. Taken together, these activities demonstrate an integrated approach that contributes to the development of human capital and strengthens the perception among stakeholders and customers of the Bank's values of social responsibility and attention to the most vulnerable people.

MPS Orienta

In 2025, in line with previous years, the Group also implemented the MPS Orienta programme, focusing on career guidance, the development of soft skills, financial education and, in general, relations with schools and universities.

The initiatives aim to promote employer branding, strengthen the link between education and the world of work, support the country's economic and social development, contribute to sustainable growth strategies and strengthen relations with customers and the area in which the Group operates.

The main initiatives of the MPS Orienta programme active in 2025 include:

- agreements and framework agreements with universities, master's programmes, specialist schools and employment centres throughout the country, enabling young graduates or undergraduates to undertake traineeships (curricular and non-curricular) in specialist functions consistent with their courses of study;

- Traineeships with the Group: 40 traineeships in specialised facilities were activated in 2025, with an average duration of 6 months, some of which ended with employment;
- Career days: the Group participated in the two career days organised by the University of Siena with job orientation interviews and presentation of open internship positions.
- career guidance meetings with secondary schools on the world of work: online lessons delivered to students at two secondary schools across the country on how to search for job offers, how to write a CV and face a job interview, etc.);
- Arrangements for employees and their family members: an arrangement targeting Group employees and their family members is in place with Unitelma (the online university of La Sapienza, Rome) for subsidised enrolment in online graduate and post-graduate courses. Since the signing of the agreement in 2020 and its renewal for the two-year period 2025-26, 43 enrolments in undergraduate courses and 184 enrolments in Level I and II post-graduate courses have been recorded.

In line with the guidance, training and skills development initiatives promoted by the MPS Orienta programme, Banca Widiba also supports the dissemination of culture and financial education: in 2025, in collaboration with FEduF, the "Peer Project" was launched, involving young university educators in bringing financial knowledge to around 400 upper-secondary school students. In line with the guidance, training and skills development initiatives promoted by the MPS Orienta programme, in 2025 the Group complemented them with engagement and awareness-raising activities aimed at the corporate population. In this context come Banca Widiba initiatives, including the Zo'è column, dedicated to environmental sustainability, Faccio cose, vedo gente, focused on people enhancement and onboarding, as well as opportunities for cultural exchange such as the Cineforum and Book Club. Taken together, these activities help strengthen a participatory, inclusive corporate culture geared towards the development of human capital, complementing the induction and professional growth pathways promoted by the Group.

The Group and support for the agri-food business

In order to support the agri-food component of the areas in which it operates, in 2025 the Group continued to pursue the objective of specialising its offering to support the sustainability of territories and businesses, offering tailor-made financial services and constant strategic support through a network of specialist centres in the main Italian agri-food districts.

In this context, the Group continued to promote MPS AgriDOP was launched, a project designed to support companies in the ecological transition, through the development of dedicated services and products, with a special focus on companies operating in the "DOP Economy" sector. The initiative is based on a long-term strategy to support production chains and protection consortia oriented towards the valorisation of PDO or PGI products and organic or environmental certification (e.g., ecological transition, launch of the European Green Deal programme aimed at achieving technological innovation and a circular, efficient and sustainable economy).

The network, designed to support and work alongside agricultural business owners as well as craftsmen, traders and tourism operators in the agrifood supply chain) in choosing financing, has expanded from 21 to 33 AgriDop Centres located throughout Italy in the strongest agricultural areas, with specialised advisors and a distinctive product mix (from financing to protection policies).

In addition to taking a series of specific actions to support target companies by activating and developing ad hoc initiatives and campaigns, the Centres play a proactive and advisory role in identifying and analysing the subsidy measures available in the area of competence, favouring projects that make a positive contribution to business development. In addition, both support from sector experts and solutions designed to accompany companies on a development path based on innovation, digitalisation and sustainability are offered, these being core elements of the NRRP.

The year 2025 also saw the Parent Company participate in events and activate collaborations with leading partners, including sponsorship of the Guida Oli d'Italia 2025 promoted by Gambero Rosso and participation in both local and national events such as Vinitaly in April in Verona.

In addition to collaborations and participation in dedicated events, the Group undertook initiatives to support the productive fabric in terms of access to credit and services by launching targeted products such as the "Green Energy" financing product, aimed at supporting all companies that make, among other things, investments in Solar and Agrivoltaic Parks, or "Opening of a Current Account Credit Facility Secured by a Non-Possessory Rotating Pledge on Agri-food Products", intended to assist companies during the seasoning/storage/ageing periods of products with a

designation, allowing them to request credit lines by using as collateral the goods they hold in their own or third-party warehouses/cellars/plants.

The Group has maintained the agreement signed between MASAF and Cassa Depositi e Prestiti (CDP) concerning the financing of projects supporting investments in the agri-food sector. In particular, the Ministry signed agreements governing relations with authorities for the implementation and management of subsidised finance. Through these agreements, special Tenders (IV and V) were launched for "Supply Chain Agreements", which through public and private financial support are expected to promote reorganisation processes in relations between operators in the Agri-food chain and Agri-energy chain.

In 2025, the extensions of financing approved in relation to Call IV and Call V with funds from the National Complementary Plan totalled 224 transactions for around EUR 137 mln overall, of which 95 were completed under Call IV for EUR 49 mln and 131 transactions remained to be signed (of which 57% relating to Call V) for EUR 88 mln. From a geographical perspective, 68% of beneficiaries belong to southern areas, supported by 41% of the resources approved, while 18% of beneficiaries are located in central Italy, receiving 20% of the contributions. Finally, the 15% of beneficiaries in the North were financed with 39% of resources, in accordance with the table below:

GEOGRAPHICAL AREAS	% DISTRIBUTION	
	No. BENEF.	AMOUNT
SOUTH	68%	41%
NORTH	15%	39%
CENTRE	18%	20%

During 2025, MASAF, in agreement with the European Union, allowed the ranking list for Supply Chains Call V with NRRP Funds to be rolled forward, entrusting project assessment to ISMEA and making its intervention more autonomous than the process implemented with PNC funds and recourse to Bank-CDP co-financing.

In this context, the path towards strengthening the number of agreements with protection consortia and producer organisations continued. These collaborative relationships make it possible to analyse in greater detail the financial specificities of producer companies in relation to each set of product specifications. Since the launch of the project, more than 30 banking relationships have been opened with PDO and PGI Consortia, facilitating the activation of around 2,400 relationships with members/consortium members.

Other initiatives to support communities

Tourism

To support businesses and development investments in tourism, the Group has signed up to the ABI, CDP and Ministry of Tourism Agreement to promote the Fondo Rotativo Imprese [Business Revolving Fund] with the aim of favouring energy requalification, environmental sustainability and digital innovation in the tourism sector. The incentive is aimed at improving hospitality services and upgrading accommodation facilities in terms of digitisation and environmental sustainability (50% of funds are earmarked for energy upgrades). In 2025, 17 initiatives were financed for a total investment of more than EUR 37 mln.

Green energy

The Group supports the energy transition of businesses and families through a set of initiatives dedicated to promoting renewable energy and energy efficiency. In particular, through the Green Energy Financing product and the new MPS Green Energy business line, the Bank offers targeted financial and advisory solutions for the creation of plants for the production of energy from renewable sources, promoting reduced energy consumption and increased energy autonomy.

The offering is based on the support of specialists able to provide qualified technical advice, assist customers in interpreting the available subsidy measures and facilitate access to the incentives provided by the NRRP and the national regulatory framework. In this area, the Group promotes investments in various strategic sectors for the energy transition:

- **Agrivoltaics**, to encourage integrated agriculture-energy systems through non-repayable grants and incentive tariffs for energy fed into the grid. The plants provide for elevated installation of the panels in order to ensure continuity of cultivation and use of agricultural land.
- **Renewable Energy Communities (RECs)**, with the aim of encouraging the creation of collective configurations in which citizens, businesses and public administrations collaborate to produce, share and consume renewable energy on a local scale.
- **Transition 5.0**, aimed at supporting the digital and energy transformation of businesses through the adoption of technologies that improve consumption and promote the integration of renewable sources.
- **Biomethane**, to encourage the construction of new plants or the conversion of existing infrastructure for the production of biomethane from agricultural or agro-industrial biomass.
- **Self-production from renewable sources**, through solutions designed to encourage the autonomous production of clean energy across the country.

To support the initiative, the Group has launched the opening of **20 MPS Green Energy** centres across Italy, dedicated to assisting customers throughout the entire project journey. These facilities are staffed by highly specialised personnel, in close contact with associations, qualified partners and sector experts, including professionals from the academic world.

Thanks to this integrated offering model, the Bank actively contributes to the development of renewable energy, the spread of sustainable energy models and the promotion of investments that generate long-term environmental, economic and social benefits.

Insurance products

In the area of Protection products, the first “inclusive” Long Term Care (LTC) policy called “Più Autonomia” was launched, offering a “Life Protection” solution in the event of loss of self-sufficiency, with a predefined term (up to 85 years) and affordable premiums, aimed at customers aged 50 to 70. The protection offering was further enriched with the launch of a decreasing-capital Term Life (TCM) solution (“Vita Sicuro Unico Capitale Decrescente”), designed for customers who want to ensure their family’s or loved ones’ financial peace of mind in the event of premature death, with a flexible solution in terms of cover duration and premium payment method, according to their spending capacity.

In 2025, the offering of insured products was expanded with the launch of a new multi-branch investment policy called Private Choice Plus with a single premium or recurring premiums whose benefits are directly linked to a segregated management and the performance of a selection of funds investing in responsible and sustainable companies. A Unit Linked policy called Private Suite Plus was also launched and, in its broadest formulation (advanced profile), falls within the category of products focused on sustainability.

In addition, Banca Widiba makes available to customers an extremely diversified range of instruments with a catalogue of more than 4,000 ESG products, constantly updated and monitored.

Art and culture for the Group

The strategies adopted are also aimed at promoting cultural initiatives as an element of the Group’s identity. In 2025, the main lines of action in this area concerned the conservation and enhancement of the Group’s historical and artistic heritage in order to meet two fundamental needs: conserve assets for future generations and promote cultural enjoyment and the dissemination of knowledge. Activities related to policies to enhance heritage are developed in a manner compatible with protection, without compromising conservation requirements. The Group’s heritage, which has stratified over time, consists of the art collection, divided into various collection nuclei, and the Historical Archive⁶⁷.

As regards conservation and restoration, the Group ensures careful, constant oversight of the works in the collection, regularly monitoring their conservation conditions, as well as security aspects - to prevent possible risks of damage and

⁶⁷ The Bank’s Historical Archive has been recognised by the Ministry of Cultural and Environmental Heritage (deed no. 685 of 7 April 1997) as a “Private Archive of notable historical interest” and is therefore subject to the constraints, obligations and administrative responsibilities of keeping it in order and proper preservation that derive from it.

maintain their integrity. In addition, maintenance and restoration work is carried out annually on items that require specific attention. This work is planned in agreement with local Superintendence Offices for the Fine Arts. During the year, 40 assets in the collection were involved in maintenance/restoration work connected with loans for temporary exhibitions. The restorers were selected chosen from the List of Professional Restorers of Cultural Heritage pursuant to Article 182, Italian Legislative Decree 42/2004, depending on the kind of asset being restored. The Group, through its participation in the Cultural Relations working group of the Italian Banking Association (ABI), identifies the cultural strategies to be pursued, shared by all banking institutions. In this context, the Group ensures that book and archive materials can be consulted. In addition, in order to promote public enjoyment, free usage contracts have been signed with cultural bodies and institutions, which allow for a wider opening to the community through projects that enrich the local and national cultural offering. In 2025, 70 works of art were lent as part of 8 temporary exhibitions in Italy and abroad. As for consultations for study and research activities, in 2025 there were 14 accesses to the Historical Archive. A new free loan agreement was signed with the Municipality of Nove for the display of a group of ceramics painted by the artist Pompeo Pianezzola at the Museo Civico della Ceramica, and a project was also launched for the study, cataloguing and enhancement of a numismatic corpus belonging to the Piccolomini Clementini Collection (owned by the Bank), funded by the Fondazione Monte dei Paschi di Siena with the involvement of the University for Foreigners of Siena.

During 2025, in-depth studies were carried out on certain works through the production of articles (6 in total) intended for Group employees, available through several modes of access (reading, listening), in order to increase awareness and knowledge of the Bank's historical and artistic heritage.

Aware of its role and of the responsibility deriving from it, including from a social and civic as well as economic perspective, Mediobanca actively supports the protection and promotion of Italian cultural heritage, joining the "I 200 del FAI" group and contributing to the initiatives of FAI - Fondo per l'Ambiente Italiano, committed to safeguarding and enhancing the country's environmental, historical and artistic heritage. It stands out, in particular, for its commitment to economic and scientific research, as well as to the dissemination and enhancement of its own information assets, through initiatives such as:

- Mediobanca Research Department (RRS): a department dedicated to economic and financial analysis, with particular attention to the manufacturing sector and industrial dynamics, supported by an extensive proprietary database developed through the processing of financial statements from official sources;
- European Institute of Oncology: established in 1994 on the initiative of Mediobanca, which holds a significant stake in it, is one of the leading private oncology centres in Italy and combines clinical activity and scientific research. The institute also controls Centro Cardiologico Monzino, a centre of excellence specialising in the prevention, diagnosis and treatment of cardiovascular diseases.

Sponsorships and community events

The Parent Company continues its relationship with local areas and communities through **events and sponsorships**, which are regarded as levers of communication, contact and branding with the aim of strengthening reputation and related accreditation. With a view to dialogue and interaction with the various types of stakeholder (media relations, captive and prospective customers, associations, organisations and institutions), in 2025 the Bank planned a number of in-person events and sponsorship initiatives.

The activities related to events and sponsorships are formally set out in corporate regulation D00953, which is available for direct and transparent consultation by all Bank employees and functions concerned⁶⁸.

⁶⁸ Regarding the procedures for formalising sponsorships and drafting the relevant contracts, the Bank requires the counterparty/sponsor to sign a specific document relating to Italian Legislative Decree no. 231 of 2001 on the administrative liability of entities.

Community initiatives

Initiatives for the agri-food sector	In 2025, in line with the Bank's strategic guidelines, major attention was given to initiatives concerning the agri-food sector and the enhancement of supply chains and businesses . In this context, the partnership for organisation of the Wine & Siena event was confirmed, the support for which since the very first edition shows the commitment to supporting agri-food excellence with a view to innovation and sustainable transition. At the same time, the Bank supported visibility and affirmation campaigns of a number of Tuscan Wine Protection Consortia. In addition, through a dedicated partnership with Gambero Rosso Spa in support of the publication of the "Guida Oli 2025", the Bank consolidated its positioning in support of the olive oil sector.
BAM Foundation	Action in support of educational, social, artistic and institutional networking initiatives was confirmed through the BAM Foundation , considered tools for incisive action in favour of the reference communities. These projects included support for the 28th edition of Festivaletteratura and the traditional Christmas Concert , both held in Mantua.
"Banca Aperta" events	In 2025, the "Banca Aperta" initiative was reconfirmed, through which the artistic and architectural heritage of the Historic Headquarters in Siena was made available to the community through guided tours on 11 October for the Festival Abi È Cultura and on 2 July and 16 August, coinciding with the ordinary Palio races.
The Siena Fifth Conference of the Future of Europe	In June 2025, on the occasion of The Siena Fifth Conference of the Future of Europe, held at the Certosa di Pontignano in Siena, the Parent Company consolidated its commitment by sponsoring the initiative for the third consecutive year, helping to raise collective awareness of sustainability issues. As part of the event, which involved intellectuals, policy makers, journalists and international institutions, it took part in the discussion on sustainable finance and the regulatory impacts of AI.

In 2025, Banca Widiba also promoted various initiatives for social responsibility and the wellbeing of the corporate community. These included:

- *Correre solidale*, with participation in three relay teams in the Milano Marathon Relay-Charity programme in support of Associazione Veronica Sacchi;
- *Dona Sangue, Dona Futuro* (Donate Blood, Donate the Future), with two blood donation days at the Milan headquarters in collaboration with AVIS;
- This Unique – Parole in ciclo, a project dedicated to menstrual health and sustainability, involving the distribution of compostable sanitary pads and information and training sessions on health and wellbeing.

These initiatives helped spread values of solidarity, inclusion and environmental awareness within the corporate community.

Targets related to affected communities

[S3-5]

The Group, aware of its role and of the social responsibility arising from its business activities, has increasingly strengthened its support for the communities in which it operates, defining contribution targets aimed at promoting initiatives with a social impact.

In this context, Mediobanca also devoted particular attention to the inclusion of socially vulnerable categories and those at risk of exclusion, with a specific focus on young people. In pursuing this objective, it committed to supporting projects with a social impact through ongoing dialogue with third-sector organisations and bodies, publishing results and progress in order to enable communities to monitor them and identify potential areas for improvement.

Processes for engaging with affected communities about impacts

[S3-2]

The Group's business model seeks to enhance the needs of customers and small and medium-sized enterprises rooted in the territory by listening to their needs in order to identify new opportunities and community needs. The Group recognises the importance of the point of view of the affected communities, promoting structured interaction with associations, bodies, institutions and players in the civil economy, active in the area. In particular, through dialogue with the community and territories, the Group seeks to share its artistic heritage and knowledge.

The focus on communication with and involvement of the target communities is directly implemented through events and sponsorships as tools for dialogue and discussion with stakeholders. Through such initiatives, the institute aims to forge solid and transparent relationships, encouraging the participation and involvement of all local stakeholders.

This commitment translates into a regulated and formalised approach, seeking consistency and clarity in communication activities, governed by the Group Communication and External Relations Directive. In particular, the Group's external communication is overseen by the Communications Staff function, through:

- the definition of policies, criteria, rules and the planning of communication interventions (opportunities, priorities, etc.);
- the direct implementation of communication initiatives or the monitoring and control of measures implemented directly by Group companies within the limits of granted powers;
- the planning and holding of conferences (congresses, seminars, openings) and exhibitions and fairs.

In addition, the "Media Relations, Events and Sponsoring" function coordinates and supervises any activities delegated to the relevant Group functions. In particular, the functions of the Group companies involved in the conception and/or planning of an engagement intervention are required to report the data of the intervention itself to the above-mentioned function. This reporting must be carried out from the time when the initiative is proposed and, for events planned by external parties, from the time when they become aware of it, in order to allow for an accurate assessment of the initiative by the Functions in charge of this area.

The Group is also committed to supporting the most vulnerable and marginalised communities, through specific actions to listen and respond to their needs. Through support programmes, the Group stimulates youth employability and supports strategic sectors such as agribusiness and tourism.

Protection of human rights in affected communities

[S3-3]

Consistent with its sustainable development model and the findings of the Double Materiality Analysis, the Group recognises the social value of its role and is committed to generating shared value for the communities and territories in which it operates, with respect for human rights, the self-determination of local communities and the quality of social contexts. The Group pursues the economic and social growth of territories through a responsible and inclusive approach aimed at promoting wellbeing, health, social cohesion and sustainable development, thereby making a positive contribution to the lives of the communities affected by its activities.

The Group's commitment to communities is formalised in the Code of Ethics, which defines the guiding principles regarding respect for human rights, legality, fairness and social responsibility, and establishes the obligation to comply with current regulations, internal procedures, codes of conduct and national and international agreements to which the Group adheres, across all geographical contexts and areas of operation. These principles apply to all Group initiatives

and activities that may generate actual or potential impacts on local communities, and are integrated into decision-making processes and relations with local stakeholders.

In this context, the Group promotes transparent and structured dialogue with communities and local stakeholders, encouraging listening and responsible engagement in order to understand local needs and prevent or mitigate any negative impacts. To this end, in line with the Sustainability Plan, publication of a policy on stakeholder engagement is envisaged. The Group supports initiatives in the cultural, social, educational, scientific and environmental fields, also through contributions and partnerships with institutions, local authorities, associations and third-sector organisations, with the aim of strengthening social capital, enhancing cultural heritage and promoting the dissemination of knowledge and financial education, as well as supporting employability.

Particular attention is devoted to supporting the most vulnerable and disadvantaged groups in society, through the development of dedicated products and services and economic and social support initiatives for persons, families and businesses in vulnerable conditions. The Group is also committed to ensuring proximity and support for communities affected by extraordinary events or natural disasters, promoting solidarity initiatives and concrete measures to support the economic and social recovery of the territories concerned.

Through partnerships with local institutions and actors in the productive fabric, the Group contributes to the sustainable development of local economies, fostering relationships based on trust, transparency and active participation. The approach adopted aims to prevent and responsibly manage impacts on communities, strengthening the Group's ability to operate with respect for human rights and to support the lasting and inclusive development of the territories in which it is rooted, consistently with its role as a financial intermediary and with the principles of corporate social responsibility.

ESRS S4 - Consumers and end-users

This section describes, in relation to the management of "consumers and end users", the policies and actions adopted to manage the issue, mitigate risks and negative impacts, seize relevant opportunities, and the targets set to monitor the effectiveness of the actions identified. It also explains the general processes for engaging consumers and/or end-users and their representatives on relevant impacts that affect them, as well as the mechanisms for remedying negative impacts and the channels through which they can voice their concerns.

The information reported is directly related to and dependent on the specific elements (in terms of impacts, risks and opportunities) identified as material following the double materiality analysis (further details are provided in the "Double Materiality Analysis" section of this document).

The detailed breakdown of the material elements (including evidence of the value chain segment to which they relate and the relevant time horizon) is provided in the dedicated table (also included in the Double Materiality analysis section).

With reference to the various initiatives and lines of action illustrated later in this section, it should be noted that the Group has provided for specific investments and the allocation of dedicated resources to support their definition and development.

Based on assessment criteria defined internally, it is confirmed (in line with the approach adopted in the previous reporting period) that the financial commitments allocated overall to these areas of action, both in terms of capital expenditure (CapEx) and operating expenses (OpEx), are to be considered not material.

Policies, Actions and Targets for consumers and end users

Policies related to consumers and end-users

[S4-1]

Actions related to consumers and end-users

[S4-4]

Targets related to consumers and end-users

[S4-5]

Privacy

This section deals with privacy issues, with reference to the policies, processes and controls defined by the Group to ensure IT security and protect the personal data of customers and end users from unauthorised access and loss of data.

Policies

As part of the protection of customers and end users, privacy protection and information security controls play a fundamental role in ensuring that data and information are adequately protected throughout their entire life cycle, in compliance with regulatory requirements on the protection of personal data and the safeguarding of corporate assets, in accordance with the principles of integrity, fairness and stakeholder protection enshrined in the Group's Code of Ethics⁶⁹.

The Group implements policies on this issue through the "Group Directive on the management of prescriptive compliance requirements relating to the protection of personal data" and the "Group Directive on Logical Security Governance"³⁸, which define the guidelines and objectives to be pursued through the "Information Security Management System"³⁸ (hereinafter ISMS) to ensure that data and information are adequately protected throughout their entire life cycle, in compliance with regulatory requirements on the protection of personal data and the safeguarding of corporate assets. This overall framework forms part of a broader governance and internal control system, consistent with the Group Directive for the Management of prescriptive compliance requirements under Italian Legislative Decree 231/2001 on administrative liability.³⁸

⁶⁹ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

The system is further strengthened by the information security governance framework set out in the "Group Directive on ICT Governance and Strategy Definition", as well as the "Group Directive on ICT and Security Risk Management" and the "Group Directive on Incident Management"⁷⁰, which structure the activities for the prevention, monitoring and management of security events, in order to protect personal data and the Group's business continuity.

The ISMS is based on the assessment of all risks associated with the issue and on their management through the planning and implementation of the prevention and protection measures needed to minimise such risks, in coordination with the "Group Risk Management Policy"³⁹, which integrates ICT and information security risks into the overall corporate risk management framework. To guarantee the reliability of the information processed, as well as the effectiveness and efficiency of the processes involving the Group's stakeholders (customers, shareholders, suppliers, partners, etc.), all security aspects must be properly taken into account and integrated into all phases of the ICT service life cycle and apply to all forms of personal data, regardless of the data subject to whom they refer and/or the channel through which they are received, and apply to all Group companies. The Guideline is reviewed annually and updated at least every three years, or in any case whenever a significant change in reference legislation, security standards, internal processes, processes adopted by outsourcers, attack scenarios, Group technologies and organisational structure is detected.

Actions

The Parent Company, with the support and collaboration of all corporate functions and the other Group companies, has established, within its remit, the **Information Security Management System (ISMS)**, understood as a set of organisational structures, processes, procedures and technological solutions adopted to protect the Group's own information assets, as well as the information that customers and end users exchange with the Group. Specifically, the ISMS:

- formalises process, operational and technological security requirements, in compliance with current regulations and sector best practices (such as ISO 27001, NIST, SSAE16, ISAE 3402, SOC2), defining strategic security plans and the methods for monitoring results;
- defines and implements the security architecture;
- guarantees the confidentiality, integrity, availability, verifiability and accountability of information;
- manages security activities operationally, such as incident management, fraud prevention, emergency communication management and change management;
- supports staff awareness and training in information security;
- makes it possible to monitor security levels and the effectiveness of the measures adopted, in order to facilitate verification activities and implement a process of continuous improvement.

For 2025, the project areas already started in 2024 are expected to be completed, with particular reference to those resulting from the outcomes of the **Cyber Resilience Stress Tests**, and new initiatives to strengthen certain security processes and platforms will be launched. The main planned initiatives in 2025 are outlined below:

- **BCM developments** aimed at strengthening processes and tools supporting Business Continuity (e.g. BCP, BCM tests and DR), thereby mitigating the risk of critical interruptions and preserving the stability and continuity of operational activities in emergency or crisis scenarios;
- **Cybersecurity Awareness**, aimed at continuing awareness-raising activities for the Bank's internal users (through periodic Cyber Awareness campaigns, information bulletins, publications on the corporate intranet, webinars, security gaming and ad hoc training courses) at every level regarding cyber risks;
- **Development of security platforms**, through systematic renewal and strengthening measures for security applications and infrastructures (e.g. Zero Password Security, Zero Trust Network, API Gateway, Micro-segmentation, Remote Key Loading);
- **Strengthening Identity & Access Management**, aimed at improving the management of *Identity and Access Management* tools through upgrades and an infrastructure review thereof (measures to strengthen and develop the platforms used in this context) and the enhancement of security controls supporting access management for both employees and customers;
- **Development of Incident Detection & Response platforms**, by strengthening and/or introducing new solutions enabling better identification, analysis and response to threats, cyber-attacks and security breaches in IT infrastructures;
- **Resilience testing**, namely the planning and execution of security testing activities (e.g. TIBER-IT, VA/PT, scenario-based) to support the Bank in maintaining its level of compliance with the provisions and findings of the Supervisory Authorities;

⁷⁰ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

- **AI Integration**, through the introduction of advanced artificial intelligence platforms into security activities, with particular reference to the protection of critical data (real-time analysis), fraud prevention (predictive models) and improved incident response (automation and advanced correlation activities).

Targets

The main objectives in the area of information security have been defined in the **2024-2028 IT Security Strategic Plan**.

The **main planned initiatives** are outlined below:

- **Strengthening security safeguards**, with the aim of increasing and evolving the Group's cybersecurity posture⁷¹ to protect the data and information managed by the information system, through:
 - Implementing advanced data security and identity & access management solutions;
 - Strengthening perimeter defence safeguards;
 - Improving security incident detection and management systems;
 - Strengthening security controls and safeguards for corporate devices;
- **Strengthening digital resilience**, in order to define and adopt technological/organisational measures aimed at guaranteeing the Group's operational resilience, and lastly to strengthen the business continuity management framework, and the infrastructure elements supporting the availability of corporate applications and data;
- **Transposing regulatory requirements** with the aim of ensuring continuous adaptation to the Supervisory Authority's requirements in force from time to time and to the remarks emerging from the interventions of the Supervisory Authorities and to standardise and strengthen "system" resilience;
- **Increasing cybersecurity awareness** in order to raise the level of customer awareness of cyber risks and key defence techniques, by providing training initiatives and periodic communication campaigns.

In defining such targets, the Group gives due consideration to the interests of key stakeholders, as detailed in the Stakeholder Engagement process section of this document.

Information security performance is assessed through:

- a **proprietary framework** that makes it possible to assess the maturity level of the Group's security controls. This framework is evaluated quarterly and includes a review of the status of the security posture, which takes into account any new implementations/design initiatives that occurred during the period under review.
- an **annual Audit plan**, to which the ISMS is subject through its involvement in ad hoc **IT Audit activities** carried out on specific issues selected for in-depth review;
- the **assessment of suppliers' security posture**, aimed at verifying that the supplier has actually implemented the appropriate expected security controls;
- **VAPT** (Vulnerability Assessment⁷² & Penetration Testing⁷³), carried out by certified third-party companies in order to identify any vulnerabilities in systems.

Freedom of expression

Issues relating to the freedom of expression of customers, with particular reference to the processes of listening to customers and the submission of complaints by them, are dealt with in this paragraph.

Policies

⁷¹ The cybersecurity posture represents the set of measures, policies and technologies deployed by an organisation to mitigate cyber risks and protect digital assets.

⁷² The Vulnerability Assessment is a systematic process for identifying, classifying and assessing security vulnerabilities in an IT system. It is based on periodic automated scanning of networks, devices and applications with the aim of identifying all vulnerabilities present in a system so that they can be corrected before they are exploited by malicious actors.

⁷³ Penetration Testing is a process that simulates a cyber-attack. The objective is to identify vulnerabilities that could be exploited by an attacker to access sensitive data or disrupt system services.

As set out in the Code of Ethics⁷⁴, the Group is committed to responding to complaints aired by customers and their protection associations by using appropriate and timely communication systems. Complaints are handled in such a way as to ensure prompt and comprehensive processing and constitute an important tool for improving activities and procedures, helping to overcome disputes and restore customer trust and satisfaction. In this regard, dissatisfied customers are guaranteed clear and free interaction through secure and confidential channels provided for by the "Group Directive on the management of internal systems for reporting breaches".

The Group is also committed to providing customers with clear and comprehensive information on how to file and handle complaints, and on access to out-of-court dispute resolution bodies. In addition, as established by the Group Directive on the handling of complaints, ABF, ACF and AAS appeals, and reports, their proper handling constitutes for the Group:

- an essential activity to establish a satisfactory customer relationship;
- a tool for identifying any critical issues and improving the quality of the products/services provided, in coordination with the "Group Risk Management Policy", which integrates such evidence into the overall risk management framework;
- a safeguard serving customer protection, aimed at encouraging the amicable resolution of disputes and, where this does not occur, at defining the parties' positions through an initial investigation phase in view of continuing the dispute in other fora.

In defining the content of the policy, the Group gives due consideration to the interests of key stakeholders, as detailed in the section of this document relating to the Stakeholder Engagement process, as well as to the provisions of the "Group Directive for the Management of prescriptive compliance requirements under Italian Legislative Decree 231/2001 on administrative liability"⁵².

Actions

The operational procedures for handling complaints adopted by the Group outline the responsibilities assigned to the various corporate structures and define at least the following activities:

- receipt of the complaint;
- the census and taking charge of it;
- the preliminary investigation (during which the necessary information and documents are acquired to determine whether the complaint is well-founded or not, resorting where necessary to the contribution of the competent structures in each instance), which ends with the preparation of a settlement proposal aimed at taking a legitimate and correct decision on the outcome of the dispute;
- the resolution determining the outcome of the complaint (rejected, upheld or partially upheld); This decision is taken on the basis of the evidence and knowledge gathered in the course of the investigation;
- communication of the outcome to the customer;
- accounting.

In carrying out these activities, particular account is taken of the following aspects, in relation to the specific features of individual complaints:

- situation that gave rise to the dispute and circumstances that emerged in the reconstruction of the events, assessing any critical aspects of the marketing process and customer information, the correct application of company regulations and contractual provisions, and the possible presence of internal fraud;
- contractual formalisation of the products and services that are the subject of the complaint, noting any documentary deficiencies;
- commercial assessment of the customer relationship, including with reference to credit-related aspects;
- content of opinions expressed by other corporate functions that may have been consulted;
- well-established guidelines taken by arbitrators (ABF and ACF) or by the jurisprudence of merit and legitimacy;
- risks of losing and compliance with external standards;
- congruity of any economic claims made by customers with respect to the grievances complained of and/or the losses/damages actually suffered.

Targets

In the area of "freedom of expression", the Group has not planned to identify measurable quantitative targets. However, it has defined policies and actions to ensure the quality of the services provided to customers and to monitor the constant improvement of its experience, consistent with current external regulations. This translates into continuous

⁷⁴ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

monitoring, both quantitative and qualitative, of the activity carried out by the "Complaints" and "Mediations and Appeals" functions in terms of compliance with processing times and effectiveness. In particular, the focus is on the number of upheld/partially upheld/rejected complaints and the number of favourable/partially favourable/unfavourable arbitration decisions.

Health and safety

This section deals with issues related to the protection of the health and safety of customers and end users, i.e. the set of policies, measures and procedures adopted by the Group to ensure that the use of the products and services offered is in compliance with the protection of their health and safety and with reference to both the activities carried out by the Group and those within its Offices and Branches to prevent injuries and illnesses.

Policies

The protection of customers and end users is a primary objective for the Group, in order to guarantee the safety of its customers and contribute to a lasting relationship of trust.

The effectiveness success of health and safety oversight depends on knowledge, constant commitment and compliance by all personnel. Accordingly, activities relating to information and training on occupational health and safety are considered essential within the Group in order to spread adequate awareness among the workforce of the importance of these issues and to promote a strong "safety culture" in the broader sense, integrated into the principles of the Group's Code of Ethics⁷⁵.

In this context, the Workplace Health and Safety Policy, defined consistently with the Group Directive on workplace health and safety, together with the "Group Directive on Physical Security"⁵¹, constitutes the reference point within the Group for defining and reviewing workplace health and safety targets, governing the related protection measures. The Group is also committed to communicating the Workplace Health and Safety Policy to all those present in corporate environments, including customers and end users.

In defining the content of the above policy, the Group gives due consideration to the interests of key stakeholders, as detailed in the section of this document relating to the Stakeholder Engagement process, as well as in compliance with the provisions of the "Group Directive for the Management of prescriptive compliance requirements under Italian Legislative Decree 231/2001 on administrative liability"⁵¹.

Specifically, in implementation of the 231 Model, all persons acting on behalf of the Company strictly comply with the behavioural provisions laid down in the specific Directive on workplace health and safety.

The Prevention, Protection and Environment Function, together with the other roles with specific responsibility in this area, is required to oversee the planning, organisational and structural aspects of the corporate occupational health and safety system and the related compliance requirements.

Workers, in general, are required to take care of their own safety and health, as well as to avoid any behaviour that may prejudice the health and safety of other employees and persons who may be present in the workplace.

Actions

In order to build solid technical and organisational controls for the management of corporate health and safety, the Parent Company has implemented the initiatives necessary for the development of the "Workplace Health and Safety Management System", pursuing its progressive integration with the other management systems put in place and its progressive extension to other Group companies. At the same time, it promotes initiatives aimed at spreading the culture of workplace health and safety and interaction among corporate structures in order to foster collaboration directed at achieving corporate efficiency from a safety perspective, while ensuring the traceability of responsibilities.

For more details on actions in the area of corporate health and safety, please refer to the chapter Own Workforce in "Section 3 - Social Information" of this Statement.

⁷⁵ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

Targets

In the area of consumer and end-user health and safety protection, the Group has so far not set any measurable targets. However, the effectiveness of the policies and actions adopted in the area of workplace safety is appropriately ensured by external inspection checks and by improvement programmes and continuous dialogue with Workers' Safety Representatives. Through these processes, the Group ensures continuous monitoring of the "Workplace Health and Safety Management System".

Non-discrimination

Related to this paragraph are the issues of non-discrimination of customers and end consumers in accessing the products and services offered by the Group.

Policies

The Gender Equality Policy⁷⁶ defines the Group's commitment to ensuring inclusion, equity and equality, respect and listening, as the values that inspire it, consistently with the principles enshrined in the Code of Ethics⁴⁵. In the course of day-to-day interaction with customers and end users, staff maintain an open and attentive approach, taking account of each individual's specific characteristics. In particular, when dealing with counterparties with physical impairments of any kind or who, for example, come from foreign countries, staff act naturally and respectfully, adopting an approach geared towards listening and helpfulness, without intrusiveness and with the utmost respect.

In defining the content of the above policy, the Group gives due consideration to the interests of key stakeholders, as detailed in the section of this document relating to the Stakeholder Engagement process, as well as in compliance with the provisions of the "Group Directive for the Management of prescriptive compliance requirements under Italian Legislative Decree 231/2001 on administrative liability"⁵⁴.

Actions

Communication, a fundamental means of sharing corporate information, is developed with a language that helps to counteract the formation of stereotypes and prejudices and to prevent discrimination towards customers and the general public. Effective peer-to-peer communication ensures that people are listened to and treated equally, respecting differences and promoting inclusion, in compliance with the indications contained in Directive EU/54/2006 on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation and the UN Convention on the Rights of Persons with Disabilities.

The corporate guidelines to be observed in the communication concern:

- the use of language appropriate to the target audience identified and, where possible, inclusive and accessible;
- the use of images that take into account gender, social, ethnic and cultural differences;
- the adoption of communication channels that convey clear and accessible content, geared towards inclusion and towards combating every form of discrimination and prejudice;
- the organisation of events (for example congresses, seminars and inaugurations) managed so as to ensure a fair distribution of speaking opportunities (between men and women) and participants, as well as the accessibility of the chosen venue.

Targets

In the area of "freedom of expression", the Group has not planned to identify measurable quantitative targets. However, the effectiveness of policies and actions taken in this regard is monitored through the collection of feedback and consumer involvement as described in the section "Consumer and end-user involvement processes".

Access to products and services in terms of digitalisation of supply

This paragraph covers issues relating to access to products and services by customers and end users, with particular reference to the offering of digitalised products and services.

⁷⁶ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

Policies

Operating in a context of continuous evolution and transformation, the Group is continuing the digitalisation of its interactions with customers, expanding the range of products, services and access channels offered and improving the usability of the offering also for categories of stakeholders that are less digitalised. The aim is to guarantee a dynamic, smoother and more satisfying experience for all customers through optimisation of the customer experience, regardless of their degree of familiarity with digital technologies and in line with the principles of fairness, transparency and customer centrality enshrined in the Group's Code of Ethics⁷⁷.

Through the Directive on ICT Governance and Strategy Definition⁴⁶, the Group has defined an IT strategy aimed at continuously improving the stability, performance, quality and level of satisfaction of the services provided to customers and Group employees. This strategy aims to develop a bank-customer relationship model centred on the possibility of reaching the bank at any time and from any device, through the use of enabling technologies designed to provide a distinctive service and anticipate customer needs.

In defining the content of the above policy, the Group gives due consideration to the interests of key stakeholders, as detailed in the section of this document relating to the Stakeholder Engagement process, as well as in compliance with the provisions of the "Group Directive for the Management of prescriptive compliance requirements under Italian Legislative Decree 231/2001 on administrative liability"⁴⁶.

Actions

In line with the IT strategy defined, the Group has planned and implemented numerous actions aimed at innovating distribution channels, including innovative and alternative channels, for the benefit of all types of customers, regardless of age group and degree of digital literacy, with reference to the services described below.

ATM and Monetary Services

The ATM network migration plan, launched in 2025 and aimed at updating the machines' operating system, is nearing completion. The initiative is intended to increase security, reduce vulnerabilities, counter cyber-attacks and ensure greater compatibility between software and hardware supplied by partners, thereby improving customers' digital experience, their use of the service and their protection while using it.

At the same time, the Group continued to improve the accessibility of the ATM fleet, making 100% of the equipment accessible also to persons with functional limitations and different forms of disability. The infrastructures, including for new installations and replacements, are positioned so as to allow side access for wheelchairs and are equipped with a series of facilitations such as wide access routes, lights indicating the interaction area with the machine and a Braille keyboard system, in order to maximise the accessibility of the service. In this regard, Mediobanca further strengthened its oversight of digital accessibility through periodic assessments by independent certification bodies and the management of reports through a dedicated email channel with response times within 30 days.

In the e-money sector, the Group extended the audio guide function of the Group's ATMs to cover cards on the international circuit. This innovation allows blind or visually impaired customers to access main functions, such as querying current account balances and movements and withdrawals. The process relating to MPS Classic and Gold credit cards was also fully digitalised in order to enable their remote sale. In addition, in the current accounts segment, the online sales process for the MPS MIO account, Easy version, was activated for new customers in October. These processes make it possible to eliminate the use of paper documentation and improve customers' access to services and information (including reducing purchasing times). The dematerialisation of the PIN for the Mastercard International Debit card (currently the only debit card in the catalogue for Retail customers) forms part of the sustainability targets thanks to the elimination of paper documentation and access to information via Digital Banking, which is secure and available at all times. The enabling of the Google Pay and Apple Pay digital payment wallets was also extended to credit cards issued by Banca Widiba.

Internet banking services

The Parent Company offers internet banking services for its retail and corporate customers. In 2025, the optimisation of the multichannel platform dedicated to retail customers continued, improving the user experience through the

⁷⁷ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

optimisation and development of native App functionalities, the most widely used channel, and the strengthening of protection tools.

As part of process digitalisation, from October 2025 the online sale of the internet banking service dedicated to retail customers has also been available to non-customers, combined with subscription to the current account and debit card. The package also includes the Remote Digital Signature, required for the remote signing of deeds and contracts, and an optional Certified Email mailbox.

During the year, it also became possible for customers to activate Digital Banking and make their first access directly from the App.

Digital communication between bank and customer was also improved, thanks to the introduction of in-App messaging when accessing the service and the creation of a single interaction space between Branch/Manager and customer through the "Relationship" function, which integrates tools such as remote collaboration, digital vault and FDR renewal/subscription. The Group is also present on "Google Home", Google's smart speaker that allows customers to experience the bank using their voice, in order to check certain information relating to their current account with simple voice commands.

With regard to loans to Retail customers, the interaction methods between Bank and Customer were enhanced, offering a renewed mortgage simulator on the institutional website, the digitalised management of document exchange for mortgage applications, as well as the option to independently request a branch appointment for applying for a personal loan.

During 2025, the full digitalisation of the sales and post-sales process for cash deposit machines was also completed.

The year 2025 saw the continued commitment of the Parent Company to the issues of accessibility and user-friendliness of all channels available to customers and employees. For example, reading of the card PIN via screen reader was introduced for partially sighted and blind users, in collaboration with the Unione Italiana Ciechi e Ipovedenti (UICI) and the Istituto Nazionale Valutazione Ausili e Tecnologie (INVAT).

The Parent Company uses assistive technologies consistent with what is available on the market to make websites and apps readable through screen readers and built-in smartphone features (e.g. voice over), and carries out periodic checks to identify any technical or user experience issues. The new graphical interface of the internet banking platform dedicated to corporate customers was also made compliant with accessibility standards.

At the same time, a project was launched to offer corporate customers a revamped internet banking platform, with advanced digital features, a personalised experience based on customer needs and more modern channels. The digital transformation is structured in two distinct phases, to gradually accompany customers towards the new experience:

- First phase (2025): restyling of the graphical interface, more intuitive and user-friendly, thanks to a modern and attractive design that simplified the user experience, while keeping access methods unchanged;
- Second phase (2026): development of a completely new platform.

In addition, the range of online services offered was expanded and interaction between the branch and online channels was improved, thanks to new functionalities dedicated both to retail and corporate internet banking, encouraging fully paperless processes and reducing operating times and risks. More generally, Widiba further strengthened the adoption of 100% paperless processes for banking and financial products and services, from current accounts to cards, from lending to advisory, promoting document dematerialisation and reducing paper use throughout the entire customer relationship cycle.

In this context, Widiba also developed fully digital service models to support its Network of Financial Advisors, introducing the "Team CF" programme, which allows collaborative and continuous management of customer portfolios through fully dematerialised processes. The expansion of the scope of deeds and contracts prepared in branch and signable through internet banking (Remote Collaboration) further helps minimise paper use, in line with the Group's commitment to combating climate change and protecting the environment.

Lastly, on the corporate banking side, the following measures should also be mentioned:

- PEC-to-PEC signature process with automatic management and reconciliation of customer responses (checks fully automated, as are the outcomes);
- activation of CBILL payments via CBI bulk flow (only for enabled users).

Banca MPS also aligned itself with the provisions of EU Regulation 2024/886 on ordinary SEPA credit transfers and SEPA instant credit transfers, ensuring full compliance with the new rules, including activities connected with the management of payee verification.

Targets

With regard to the topic “Access to products and services in terms of digitalisation of the offering”, the Group did not envisage the identification of measurable quantitative targets. However, the effectiveness of the policies and actions adopted, described above, is adequately monitored through the monitoring activities carried out by the Body with Strategic Supervision Function (BSSF) which, in accordance with the “Group Directive on IT Governance and Strategy Definition”, assesses the adequacy, functionality and reliability of the entire information system and individual services provided.

In particular, the Body receives information at least annually on the adequacy of the services provided.

Responsible business practices of the Group, access to and quality information on products offered in terms of social inclusion

Related to this paragraph are the Group’s **responsible business practices**, the offering of products to promote social inclusion and the availability of quality information on these products.

Policies

Meeting customer needs is a fundamental condition for the Group in conducting its business activities and an inescapable requirement in maintaining and improving a relationship of trust with customers. For this reason, the Parent Company is strongly focused on maintaining transparent, continuous and non-discriminatory communications.

The Group Policy on Commercial Policies⁷⁸, together with the Group Product Policy⁴⁷, ensures effective execution and oversight of the processes relating to interactions between the Group and its customers. The Group implements product design, development and marketing policies that take into account the needs of its customers as well as legal provisions on issues of transparency and fairness in customer relations, in order to prevent unfair commercial practices. Accordingly, in line with the regulations applicable to banking and investment services, methodologies, models and corporate rules are defined with reference to key processes such as:

- the definition and management of service models, i.e. the definition and management of elements supporting the enhancement of the customer relationship;
- the definition of commercial marketing plans, which outline the commercial market strategy, planning annual and periodic objectives and defining the levers in terms of initiatives, pricing, products, promotions and communications to support their achievement.
- customer relationship management oversight, also through the document “Customer Voice Listening Activities”, through which the Group defines the methods for designing, conducting and analysing surveys addressed to its customers.
- the definition of processes and rules concerning customer protection with reference to the offering of banking and insurance products and services through controls compliant with the obligations arising from the requirements laid down by current regulations, integrated into the overall risk management system governed by the Group Risk Management Policy.

Specifically, the Group adopts a policy framework intended to define a system of rules and criteria designed to ensure transparency, consistency and accountability in the advisory and distribution of financial instruments of any type (the following documents are cited in this regard: Group Directive on the management of prescriptive compliance requirements relating to Banking Transparency, Group Directive on governance and control of financial products for customers, Group Directive on governance and control of banking products for customers, Group Directive on the distribution of protection insurance products and supplementary pension schemes, Rules on investment services: mapping and identification for ESG purposes of financial products)⁴⁸.

This commitment is reiterated in the Code of Ethics⁵⁶, which provides for the adoption of operating procedures that make it possible to propose the most suitable products or services on the basis of customers’ actual needs and requirements. Customers, before subscribing to a product or service, are provided with clear and comprehensive information on the conditions and services offered, to encourage informed choices. Similar attention is paid in lending strategies governed by specific frameworks and guidelines that also integrate ESG factors into the creditworthiness assessment process (the Rules for the definition, transmission and monitoring of lending strategies and the ESG Outlook Framework – Integration of ESG risk factors into creditworthiness are cited in this regard).

⁷⁸ For further details on the characteristics of the Policies, please refer to the Section ‘Group sustainability policies’

Particular focus is given to the needs of the more vulnerable customers and society in general, with the promotion of access to banking services, informed use of credit, and the prevention of over-indebtedness. Furthermore, the Group fosters social welfare through the creation of sustainable products and services tailored to the needs of its customers by supporting a development model aimed at including categories of people with basic financial needs.

In this context, as stated in the Group Directive on Sustainability and ESG⁴⁸, the Group operates with attention to respect for human rights, equity and inclusion, fundamental rights at work and rules on child and forced labour, health and safety, and the adoption of sound corporate governance practices (in compliance with the provisions of the Group Directive for the Management of prescriptive compliance requirements under Italian Legislative Decree 231/2001 on administrative liability⁴⁸). In order to contribute to the protection of the wellbeing of the health and development of the entire community and in line with the values and principles expressed in the Code of Ethics, exclusion and enhanced due diligence policies for certain high social impact sectors have been defined within the Sustainability and ESG Directive. Specifically:

Production and marketing of armament materials:

- Exclusion policies aimed at avoiding involvement in the financing and brokering of transactions related to arms production and trade, as referred to in Law no.185/90. With reference to the production, transit and/or marketing of armament materials, the Group may support operations that have been authorised by the relevant authorities and that comply with applicable and current legislation;
- Exclusion policy for counterparties and transactions involving controversial weapons and/or weapons banned by international treaties, e.g. nuclear, biological and chemical weapons, cluster bombs, weapons containing depleted uranium, anti-personnel landmines; the Group does not support transactions destined for countries subject to sanctions and embargoes, countries in armed conflict and/or whose governments have been responsible for serious violations of international human rights conventions, nor does it have any dealings with entities operating in these market sectors.

Tobacco Industry and Cultivation:

A due diligence assessment of transactions aimed at financing counterparties and activities/projects related to tobacco cultivation and the tobacco industry based on the following criteria:

- involvement or otherwise in corrupt or ethically controversial events that expose the company to particular media attention and criticism;
- state-owned company or state-owned concessionary service provider;
- company with revenues mainly from activities related to the cultivation and production of tobacco;
- company with revenues mainly from activities related to the cultivation and production of tobacco for pharmaceutical purposes.

Development and dissemination of gambling:

a due diligence assessment of the risks, including reputational risks, associated with the nature and purpose of the transaction and the profile of the counterparty. Specifically, with reference to the nature and purpose of each transaction, the following transactions are subject to extended due diligence:

- the provision of online gambling platforms;
- the purchase, construction, development and expansion of gambling halls;
- the purchase and production of machinery that promotes gambling;
- the marketing and sales promotion activities related to gambling.

In defining the contents of the policies, the Group gives due consideration to the interests of key stakeholders, as detailed in the Stakeholder Engagement process section of this document.

Actions

As part of the wider process of designing its products and services, the Group ensures that product characteristics are determined taking into account the findings of customer intelligence analyses. These analyses are aimed at identifying customer characteristics and needs through, inter alia, assessment of the behavioural profile of the different customer segments, the MiFID profile, portfolio analysis for investment products, potential demand and the enhancement for knowledge purposes of the multiple moments of interaction between bank and customer, as well as the acquisition of direct and indirect feedback. The product design process also guarantees:

- the evaluation of the risk profile of investment products with regard to checks on adequacy/appropriateness;
- the definition of economic conditions in compliance with current regulations (e.g. on usury) and, where applicable, internal pricing policies;

- the definition of the characteristics of the customers for whom the product is intended;
- compliance with the principles and rules defined in the Group directive on governance and control of banking products for customers with regard to the definition of the target market;
- compliance with sustainability requirements defined in terms of risk profiles, business effectiveness, tools and functionalities, processes, impact on the information system, compliance with internal and external regulations.

Products aimed at the social inclusion of consumers and end users

In this context, the Group is committed at all times to supporting the social needs of the most vulnerable categories, offering customers a series of products aimed at facilitating access to social inclusion for users and end consumers, as described below.

MPS Mio Futuro Account and Free Savings Service

As from 16 December 2024, the new packaged current account for "under 18" customers has been available, as an instrument of **financial inclusion** and **savings education** that allows minors, under parental supervision, to start building up their own savings.

HeyLight by Compass

Mediobanca introduced the Compass HeyLight ecosystem with the aim of facilitating access to credit for younger segments.

Mortgages with the First Home Fund guarantee

During 2025, the Parent Company continued to offer mortgages backed by the First Home Fund guarantee, managed by Consap. These are medium- and long-term mortgage loans intended for the purchase and renovation of properties used as a main residence, granted for up to 100% of the property value. They are intended in particular for customers falling within the categories provided for by the relevant legislation (First Home Fund), namely:

- young couples, at least one of whom is not over age 35;
- single parent families with minor children;
- tenants in accommodation owned by independent low-income housing associations;
- young people under age 35 with non-standard employment contracts.

SACE Growth Guarantee

During 2025, the Parent Company adhered to the guarantee instrument promoted by SACE, "Garanzia *Growth*", through which new financing was disbursed to support the growth of businesses in Italy and on global markets, infrastructure investments, supply chains and territories, as well as female entrepreneurship.

Funding to combat usury

The Group, with a view to preventing and combating usury, has provided specific financing in line with the conventions in force with Fondazione Toscana per la prevenzione dell'usura Onlus and Adiconsum. In 2025 a total of around EUR 1.7 mln was disbursed.

Resto al Sud

The Group offers products dedicated to businesses whose registered office is in the regions of Southern Italy. In particular, *MPS Resto al Sud* is a targeted incentive to facilitate new business activities in regions of Southern Italy, areas hit by earthquakes in Central Italy and the smaller islands, and the marine, lagoon and lake areas of Central and Northern Italy. The financing is granted in line with the provisions of the Ministry for Territorial Cohesion and the managing body Invitalia, covering up to 100% of expenses, with a maximum loan amount of EUR 50,000 per applicant. EUR 5.8 mln was disbursed in 2025.

Natural disasters

The Group has established subsidised financing, with CDP funding, to support parties affected by natural disasters. At the end of 2025, two ad hoc financings were still active in favour of parties affected by the earthquakes that occurred in Emilia-Romagna (2012) and Central Italy (2016). The loans are intended for the persons and businesses most affected by the events, particularly in relation to properties, production sites, and public and private services.

In addition, loan instalment suspension initiatives were implemented in areas affected by the state of emergency, both pursuant to regional measures and on the Bank's own initiative.

The volumes with a social purpose disbursed during 2025 are summarised below:

<i>Medium-/long-term financing with Social Purpose - Volumes Disbursed in EUR mln</i>	
Mortgages with Social Purpose	1,742
Social Loan	3
TOTAL	1,745

Adoption of Protocols, Products and Credit Pools

The Parent Company adhered to the Agreement between Sviluppo Campania and the financing bank for the operation of the "Fondo Rotativo PMI" (FRI Campania) financial instrument. This is a measure implemented with EU funds (ERDF) aimed at enabling SMEs in the Campania Region to access credit on favourable terms, with the objective of strengthening their competitiveness and supporting the adoption of emerging technologies, innovation processes and corporate reorganisation and restructuring activities.

The Parent Company also supports the aid measures in favour of Tuscan SMEs provided for by the Tuscany Region, aimed at reducing interest on loans granted to businesses, within the framework of funding from the European Investment Bank (EIB).

Lastly, as part of the Sustainable Growth Fund, the Parent Company adhered to the "Smart Specialisation" measure, in support of industrial research and experimental development projects of strategic relevance to the production system. These projects are consistent with the thematic areas of the national smart specialisation strategy and are aimed at identifying evolving technological and application trajectories, with a focus on the less developed regions: Basilicata, Calabria, Campania, Molise, Puglia, Sardinia, and Sicily.

In addition, in order to support families and businesses in coping with rising interest rates, the Group envisaged the following in 2025:

- mortgage suspension: possibility of requesting the suspension of the payment of mortgage instalments in application of the provisions of the Gasparri law. This legislation allows for the suspension of an entire instalment under the Fund if at least one of the joint mortgage holders falls into one of the following situations:
 - unemployment following termination of the employment relationship, as provided for by Article 409, no. 3 of the Code of Civil Procedure;
 - unemployment following the termination of his/her employment;
 - suspension from work for at least 30 consecutive working days
 - reduction of his/her working hours by at least 20% of total working hours for a period of at least 30 consecutive working days;
 - death or certified severe disability or civil invalidity to a degree of at least 80%;
- continuation of the TFS-TFR advance product, designed to support public sector employees pending payment of their severance entitlement by INPS.

Insurance products

Also with reference to the business scope, the following guarantees included in the *Protezione Business* product should be noted:

Legal Protection and Cyber guarantees: these constitute a key element in ensuring business continuity and defending the company against digital risks.

Within the **Large package**, the policy provides:

- **Support for legal expenses** with the assistance of a qualified lawyer, for disputes related to the conduct of business activities.

- **Cyber legal protection**, with reimbursement of damages arising from unlawful online acts, digital identity theft or reputational damage.

The protection is complemented by the **Online Security** package, which offers:

- **Protected payments**, with reimbursement in the event of fraudulent use of company cards or digital payment instruments.
- **Protection of reputation and digital identity**, with the possibility of requesting the removal of harmful content and legal assistance in the event of cyber-attacks.
- **Cover for e-commerce disputes** relating to issues with online purchases or sales.
- **Cyber risk service**, monitoring vulnerabilities, the dark web and compromised credentials, and offering specialised support through a dedicated platform. [axa-mps.it]

These covers provide businesses with effective protection against cyber threats and related legal risks connected both with day-to-day business and with the increasing digitalisation of processes

With regard to the "private protection" offering, characterised by the multi-risk MIA Protezione product, which covers all the main customer needs and requirements, the following covers are particularly worth highlighting:

Mia Protezione – Legal Protection and Cyber Cover: supports customers in managing disputes arising in private life and issues connected with the use of the web.

In particular, the policy offers:

- **Legal assistance**, both judicial and out-of-court, for disputes arising from private life, leisure time or use of the web, including issues relating to online reputation, digital purchases and identity theft.
- **Protection of rights on the web**, including support for the removal of harmful content, assistance in the event of fraud or e-commerce disputes, and a psychological support service dedicated to cases of cyberbullying.

These covers protect the insured against increasingly frequent risks connected with the digital sphere, offering timely intervention in both legal and assistance terms.

Within the framework of our sustainability policies, we place the protection of people, families and businesses at the heart of our approach through insurance solutions designed to guarantee fairness, access to justice, digital protection and responsible risk management. The Legal Protection and Cyber Risk covers provided within the Mia Protezione and Mia Protezione Business products, aimed at private and business customers, represent one of the Group's tangible contributions to its social objectives and to its commitment to a safer and more inclusive digital environment.

The two covers are detailed below:

Legal Protection for Families and Businesses

- Judicial and out-of-court support for damage caused by third parties, road accidents, employment disputes, disputes with social security institutions and criminal defence.
- Integration of the covers with third-party liability policies, protecting consumers even in the event that the main policy proves ineffective.
- Extension of the covers to the family unit and, for businesses, support for the responsible management of legal risks.

Cyber Protection for Families and Businesses

- Cover for harm to online reputation, digital identity theft and issues relating to e-commerce
- Protection against the fraudulent use of means of payment.
- Cyber risk prevention services, helping to improve the awareness and security of consumers and business users.
- Legal assistance and reimbursement of expenses for proceedings and disputes relating to digital offences.

In particular, 234 Legal Protection and Cyber covers were taken out within the Mia Protezione policy, dedicated to the safety and wellbeing of people and families, and 257 covers within the Mia Protezione Business policy, aimed at strengthening businesses' ability to prevent and manage legal and operational risks.

During 2025, the Parent Company made **significant investments in the digitalisation of credit processes** and of the processes for selling loans to businesses, which materialised, at the end of July, in the launch of a new *online loan sales platform* that makes it possible to enable self-service sales of certain types of loans to small businesses.

The platform represents an evolution of what has already been tested in Branches/Centres as part of the activity to simplify and finalise financing processes. The target customers, belonging to the Small Business and POE service models, are selected through a credit scoring process that identifies companies with a high degree of reliability, for which repayment capacity is pre-assessed for two distinct types of loan, respectively with terms of 12 or 60 months, at fixed or variable rates. Depending on the company, the maximum amount that can be granted may be up to EUR 150,000.

The process is initially reserved for companies using the PasKey Azienda Online channel and the Remote Digital Signature service provided by the Bank, and will subsequently be extended to Digital Banking. The customer begins by calculating the quote: if satisfactory, they can access the sales process, which automatically generates the loan application. Subsequently, the customer is offered the first set of documents to be digitally signed with a single FDR. After the first signature, the automated assessment process begins with submission of the application to the relationship manager, followed by validation and approval by the authorised parties, according to a simplified and faster procedure than the standard one, significantly reducing response times. In the event of a positive outcome, the customer is informed via the platform and can complete the contract digitally by signing a second set of documents with a single FDR. Lastly, the system disburses the amount into the indicated current account and automatically archives the signed set of documents.

The platform, characterised by a strong innovative component, was designed to offer our customers a modern user experience:

- it improves the **quality of service perceived by the customer** (shorter response times and the introduction of self-service methods);
- it allows customers to **perform activities independently** that are currently carried out or guided by the relationship manager;
- it simplifies the **credit process** by enabling a future automated approval functionality (not envisaged in the first release);
- it promotes **digitalisation**; with the Remote Collaboration and Digital Vault features, customers will be able to manage document exchange in a simple and secure manner.

At the same time, the introduction of self-service sales of unsecured loans also brings significant benefits for the Network, as it makes it possible to:

- **reduce the workload for the relationship manager** and the customer thanks to the streamlining of the assessment process;
- contribute to the **achievement of Branch/Centre targets** thanks to the growth in credit facilities and utilisation of commercial lines;
- **limit operational risks** thanks to process automation and standardisation;
- **integrate self-service systems** with those in use in Branches/Centres;

In parallel, the digitalisation of other types of loan contracts, which will be available for digital signature via Remote Collaboration and PEC-to-PEC, is ongoing.

Initiatives to support financial education

With the aim of guaranteeing its customers access to products and services in a transparent and informed manner, the Group is continuing its initiatives to support the financial education of customers and end consumers.

Implementing information programmes, preparing accessible educational content and developing dedicated advisory services enables the Group to pursue a training strategy capable of helping customers better understand products, risks and opportunities.

Below are some of the actions implemented to develop financial education and information.

"Flash Mercati" webinar

The traditional weekly "Flash Mercati" webinar, dedicated to the Private and Retail networks, continued on a weekly basis, for a total of approximately 46 meetings/webinars over the year, divided by the respective market. In addition to these meetings, the Group promoted dedicated digital events to address specific market or product topics: for the Private and Family Office Network, approximately 15 webinars were held; approximately 20 webinars were also organised with Wealth Management Specialists, with the aim of providing a timely technical and operational update and specialist support to Network resources, with a multiplier effect.

In addition, Compass and Mediobanca Premier strengthened their initiatives through the "ImpAct" project, reaching customers with over 37 million communications dedicated to household budget management and through the Markets&Strategy magazine aimed at investors.

Mediobanca Premier also promoted initiatives aimed at involving women in financial planning and developing services dedicated to the Next Wealth Generation.

For the Companies network, 45-minute webinars were held monthly under the title "Markets and operating inputs on specialised services (Liquidity Management and Coverage)".

Info-training meetings throughout the country

The following initiatives were held during the year: (i) "Le Giornate del Private Banking" ("Private Banking Days"), held in two separate editions, each of which involved around 180 employees from the Private and Family Office network; and (ii) 25 sessions of approximately 60 minutes each, which involved the entire Private and Family Office network overall in order to explore the key issues relating to the economic and financial context; (iii) 25 info-training initiatives for Private and Family Office customers, held across all the Bank's Territorial Departments, involving more than 1,000 participants.

Targets

During 2025, the Group identified financial inclusion as a strategic priority, highlighting the importance of customer relationships and ties with local communities. This priority is reinforced by a widespread grassroots presence and the historical mission of supporting the community and customers in accessing financial services, through continual listening and engagement, while promoting financial education.

In defining targets, the Group gives due consideration to the interests of key stakeholders, as detailed in the Stakeholder Engagement process section of this document.

For the three-year period 2024-2027, the Group has set a target of increasing the financial inclusion of young retail customers by improving their planning and economic resilience. The specific target concerns the 18-35 age group within the total Retail customer base. This cluster was identified on the basis of internal and external analyses concerning the socio-economic characteristics of Generation Z and the Italian context, characterised by job insecurity and a low propensity to save.

The Group aims to increase the penetration of savings products – especially savings and pension plans – among retail customers aged 18-35 by 1.2% from 6.2% to 7.4% by 2027. This objective will be pursued through:

- Commercial actions aimed at directly engaging the identified cluster;
- Facilitated financial solutions with dedicated pricing to encourage access to savings and pension plans;
- Financial education initiatives, aimed at raising young customers' awareness of the importance of financial planning and long-term savings.

Progress towards the target will be monitored periodically through internal data, which segment retail customers by age group and total deposits, and will be published annually. Key metrics will include the penetration rate of savings products in the target cluster and the effectiveness of sales and training initiatives.

Banking transparency and fairness of information provided

This paragraph details all issues relating to banking transparency, which is fundamental to providing customers with correct, complete and easily understandable information on financial products.

The Group has always been committed to ensuring the utmost transparency and fairness in banking and financial transactions, placing compliance with the principles laid down by the regulations in force at the centre of its activities.

Aware of the importance of offering its customers clear and complete information, the Group has adopted specific measures to ensure that the creation and distribution of banking and financial products are in line with the obligations laid down by the regulatory framework on transparency.

In the process of offering its products to consumers, a questionnaire has been prepared to collect the customer's needs and requirements, with a view to identifying within the catalogue the products best suited to meeting those needs. For products marketed remotely, the questionnaire is replaced by a declaration by the customer that the product corresponds to their needs.

In addition, as part of the implementation of the PSD2 Directive, the same protections provided for consumers were extended to micro-enterprises.

First, the Group complies with the provisions contained in the Measure of the Governor of the Bank of Italy of 29 July 2009, as subsequently amended and supplemented (the so-called Supervisory Provisions on banking transparency), which require transparency in the offering of banking and financial services, with particular attention to the clarity of the information provided to consumers. These provisions establish that customers must be adequately informed of the economic conditions applied to products, any fees and commissions, the applicable interest rates and the repayment methods.

In addition, the Group applies the principles contained in Legislative Decree 385/1993 (the Consolidated Banking Act - TUB), which regulates banking activities in Italy in detail, including transparency obligations towards consumers. In particular, Article 116 of the TUB provides that information on the costs and conditions of banking products must be clear and understandable, so as to enable customers to make informed choices.

The principles laid down by the Consumer Code (Legislative Decree no. 206 of 6 September 2005), which also protects consumer rights in banking and financial contracts, have been adopted. This legislation imposes transparency obligations relating to remote selling processes for products and to contractual clauses, prohibiting misleading or unclear practices for users, as well as the use of unfair terms.

Other monitoring indicators for social issues

The Group also complies with European banking transparency regulations, with particular attention to payment services, in compliance with the rules implementing the relevant EU Directives (most recently Directive 2015/2366 – the so-called PSD2), consumer credit in line with Directive 2008/48 (the so-called CCD), which will be replaced in 2026 by Directive 2023/2225 (the so-called CCD II), and consumer credit relating to residential immovable property which, implementing Directive 2014/17 (the so-called MCD), requires all banks to guarantee complete information on costs, conditions and consumer rights in mortgage contracts.

The offering of all banking products is accompanied by clear and accessible documentation including all information required by the regulations. The economic conditions of products, including fees and commissions, are presented in a simple and easily understandable way, with particular attention to their visibility and readability.

Every banking, financing or lending transaction is accompanied by pre-contractual documents that comply with legal requirements and are delivered or made available to the customer before the contract is signed. In this way, the customer gains full awareness of the financial commitments undertaken.

The main purpose of the transparency policy is to avoid information asymmetries and ensure informed choices by customers in full compliance with their expectations. With regard to this issue, the Group has not identified any measurable quantitative targets.

In addition, with reference to the Group's investment activities, the 2024-2028 Industrial Plan strengthened the targets relating to lending for ESG purposes, which also incorporate social factors into the granting criteria.

The targets provide for:

- achieving 30% of ESG lending volumes as a proportion of total annual lending volumes by 2028;
- achieving 25% of green and social bond issuances as a proportion of total issuances made both in the year and over the 2024-2028 period.

Commercial development indicators	Actual figures Dec 25
ESG medium-/long-term loans (new lending)	25.2%
ESG issuances as a percentage of total issuances	20%

Consumer and end-user engagement processes

[S4-2]

The management of material impacts entails that the Group should have its own employee engagement processes in place to take their views into account. Among the commitments undertaken by the Group under the Code of Ethics is the creation and development of relationships with customers aimed at increasing their satisfaction. The aim is to place the customer at the centre of the Group's commercial strategies, responding to their needs and preferences, through transparent behaviour, innovation and valuing customers' needs and characteristics.

To spread the culture of relationships, the Group monitors the achievement of targets related to customer satisfaction and loyalty. In particular, it collects suggestions and proposals from customers and other significant stakeholders relating to the products and services offered, adopting an approach based on active listening and customer engagement. The main objective is to guarantee a personalised, innovative and accessible banking experience through an omnichannel model that allows customer interaction through digital tools and qualified assistance. Monitoring feedback makes it possible to respond to customers' different needs and to update the products and services offered on an ongoing basis.

In detail, customer involvement takes place through a Contact Centre divided into two main areas:

- The Network Hub, which provides commercial and specialised assistance, through the MIA Chatbot (non-generative chatbot), a virtual assistant that handles 50% of requests autonomously, and the presence of consultants, who via chat (75%) and telephone calls (25%), handle the remaining 50% of requests;
- The Customer Hub, on the other hand, offers information and transaction assistance, as well as outbound business consulting. Through a multi-channel presence, the Group allows customers to contact it via telephone, e-mail, webform, certified e-mail and the "call me back" service. An average annual flow of about 400,000 calls and 80,000 enquiries handled through other channels is recorded through these contact structures.

Technological innovation and digitalisation play a significant role in the evaluation of the services offered by the Group. In the area of Digital Banking, services are mainly provided through the bank's official app, available on the Apple and Google Play stores. Customers can review the app and give a rating from 1 to 5 stars, contributing to the continuous improvement of the service. The Bank Customer Service (Level II) monitors and responds to reviews using standard templates defined by the Business Function and validated by the Communication Function. If a standard template is not adequate, a specific response is requested. Monitoring the evaluations allows the Group to take the necessary actions to improve the app and digital services, optimising the user experience.

Within the Group, Banca Widiba is distinguished by certain specificities in its customer experience model. In 2025, the bank confirmed its commitment and vocation in implementing a user-friendly and effective banking experience model, which adapts to people's most common sensitivities and behavioural patterns, as well as to changes linked also to the physical and temporal context. Customer involvement is achieved through a rating system whereby products and services are given a score from 1 to 5, accompanied by comments and suggestions. All feedback is analysed in order to improve the offering and service quality. The Bank's website receives a high degree of customer satisfaction, as shown by the 2025 rating figures: an average of 13,500 comments per month, of which 97% were positive. The level of customer satisfaction is very high: in 2025, the Net Satisfaction Score, an internal index calculated using a methodology similar to

the Net Promoter Score, remained stable at 94 on a scale from -100 to 100, while the mobile App's Net Promoter Score reached 45, exceeding the banking sector average of 30.

Processes to remediate negative impacts and channels for consumers and end-users to raise concerns

[S4-3]

As part of the processes to manage material negative impacts on customers and end users, the Group has processes in place to remedy and manage concerns expressed by customers.

Within the Group, the management of customer disputes is based on a structured and uniform process, while taking into account the specific aspects of the different businesses comprising it, including Banca Widiba.

At present, customer disputes may take the form of **complaints** made to the Supervisory Authorities, requests for **mediation** pursuant to Legislative Decree 28/2010 as amended, and **requests** for assisted **negotiation** (pursuant to Legislative Decree 132/2014 as amended). In addition, following unsuccessful or partially unsuccessful complaints for which no response is provided within the prescribed time limits, customers may refer to the Financial Banking Arbitrator (ABF), which handles disputes concerning banking and financial products and services, and the Financial Disputes Arbitrator (ACF), concerning the obligations of diligence, fairness, information and transparency in the provision of investment services and collective asset management.

With regard to the channels made available to consumers, in addition to the grievance handling process, the Bank has structured and formalised management processes concerning:

- Applications (submitted by customers or non-customers) include the requests or reported information, mainly of a logistical, relational and commercial nature, received exclusively in written form;
- Complaints, which include:
 - objections made verbally relating to services rendered by the bank or arising from contractual relations with the bank (including objections made by customers and potential customers concerning the management of the pre-contractual stage);
 - all objections, in verbal form, concerning relational problems with Bank employees;
 - objections, concerning products or services offered, made via web channels or social networks;
 - requests for clarification, remarks and/or objections about products or services offered or alleged inefficiencies, received from journalists/media outlets.

The Group seeks maximum transparency and accessibility of grievance channels, actively informing consumers of their existence through its institutional website, contractual documentation and direct communication at branches and specialist centres.

Complaints may be submitted by customers in the following ways:

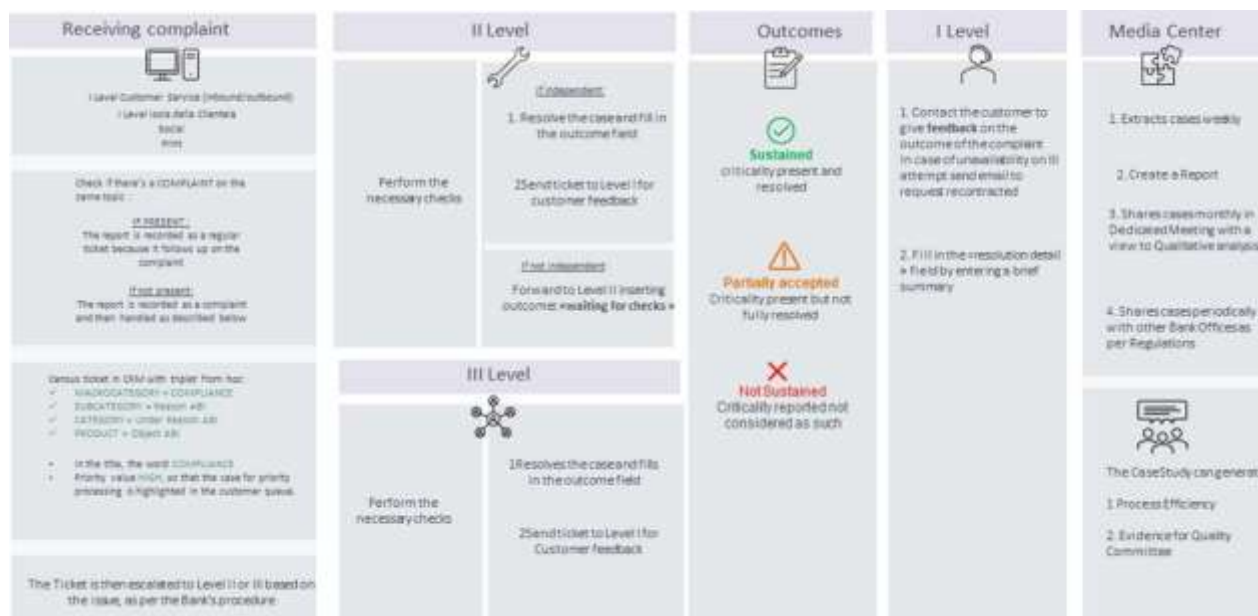
- delivery by hand to a Branch or Specialised Centre;
- ordinary or recorded delivery mail;
- online form available on the Bank's institutional website;
- e-mail and via the certified e-mail address of the Complaints Function.

Operational monitoring of the entire grievance management process, customers' appeals to the ABF or ACF and mediation is ensured by the **Legal Proceedings and Complaints Department**.

The various steps in the grievance management procedure are:

- receipt of the complaint and its transmission to the Complaints Function;
- registration of the complaint, completed with the aid of the Complaints Management application (GRB);

- investigation, which is carried out with support from the Branch/Centre of reference for the customer or supported by the functions responsible for the matter in question;
- decision-making, in compliance with independence aspects envisaged in internal regulations from time to time;
- accounting treatment and settlement of the complaint, if the outcome envisages outlay in favour of the customer.



In compliance with the provisions of regulations, with particular regard to Article 17 of the joint Bank of Italy/Consob Regulation, the Bank of Italy's Supervisory Provisions on the transparency of banking and financial transactions and services, and ISVAP Regulation no. 24/2008, the Bank has established the following maximum timeframes⁷⁹ to provide a response to grievances submitted by customers:

- 60 calendar days from the date of receipt of grievances concerning banking and financial products and services and investment services;
- 45 calendar days from the date of receipt of grievances concerning insurance brokerage services;
- 30 calendar days for grievances concerning violations of the Code of Conduct for information systems managed by private consumer credit firms (CIS).
- 15 business days from the date of receipt for grievances concerning payment services.

The Group ensures the confidentiality of reports and protection from retaliation for individuals who use the complaint mechanisms, in line with the principles of transparency and fairness governing customer relations. The activity carried out by the Complaints Function is characterised by the utmost objectivity and third party protection of stakeholders' rights, regardless of their geographical area. In addition, the Group promotes the accessibility and clarity of information on how to submit grievances, so that all customers can exercise their rights fully aware of and confident in the dispute handling process.

If the management of grievances brings to light elements for attention or risk or areas for improvement for the Bank, the Complaints Function reports these aspects to the relevant Corporate Functions for the matter in question, informing the Compliance Function and Risk Function.

⁷⁹ Exceptions are disputes relating to potential violation of regulations concerning the "Code of Conduct for information systems management by private consumer credit firms, reliability and accuracy of payments", for which the maximum response time is 30 business days (which can be extended by a further two months in exceptional and justified cases) as envisaged in Article 12, paragraph 3 of Regulation (EU) 2016/679 (GDPR).

No involvement of stakeholders (i.e. customers submitting complaints or appeals) in the planning, review, operations and improvement of the procedure described above is envisaged. In addition, there is a tracking of the effectiveness of procedures from a stakeholder perspective that allows for the assessment of customer satisfaction, such as the submission of an ABF/ACF complaint or a reiteration of the complaint in itself constitutes a symptom of customer dissatisfaction with the responses provided by the Bank, and similarly, the acceptance of the complaint predictably gratifies the customer.

On the other hand, a quantitative and qualitative monitoring of the activity carried out by the Complaints and Mediation and Appeals Function in terms of compliance with processing times and in terms of effectiveness is provided for; in particular, the focus is on the number of upheld/partially upheld/rejected complaints and the number of favourable/partially favourable/unfavourable arbitration decisions.

Within this framework, and in accordance with the provisions of Section XI of the Bank of Italy's Supervisory Provisions of 20 June 2012, as amended, on the subject of the "Transparency of banking and financial transactions and services - Fairness of relations between intermediaries and customers", the Group prepares and publishes an annual report on its complaint handling activities.

Within the Group, Banca Widiba adopts an approach to grievance handling that, while aligning with the general principles of the Group, has some specific aspects. In this regard, any customer who feels that he/she has not received a level of service in line with his/her expectations and contractual commitments may contact Customer Care through the Mediacenter tools and according to the procedures described on the Banca Widiba's website to suggest possible corrective measures, or contact his/her follow-up advisor.

If it is not possible, for any reason whatsoever, to overcome the differences that have arisen, the customer may address a complaint in writing to Banca Widiba's Complaints Department by the following methods: ordinary mail, with stamped envelope addressed to Ufficio Reclami (Complaints Office) at Banca Widiba, via Messina 38, Torre D, 20154 - Milan; e-mail, at the e-mail address reclami@widipec.it; direct delivery to their financial advisor.

In the interest of the customer, the grievance must contain at least the following contents: identification data (name, surname, date and place of birth, address) of the customer; relationship identification number (current account or securities deposit); telephone number where the customer can be contacted if necessary; a clear description of the product/service provided by the Bank and the reasons why the customer is dissatisfied; any documentation supporting the disputed facts.

Information on complaints is made available on the Bank's institutional website www.widiba.it in the complaints section, where the procedures for submitting complaints and the policy on complaint handling are easily accessible.

To standardise the management of existing complaints in Banca Widiba with respect to procedures already in place at the Group, and to intervene promptly in the resolution of cases so that a complaint does not turn into a formal grievance, a formal process was created called the "Complaints Register", which is intended to achieve the expected objective:

- The census of all complaints made by Customers and Financial Advisers by mapping the cases using the ABI Classification of Complaints;
- Complaints monitoring.

It is considered a complaint has occurred if:

- the protest is made verbally concerning services rendered by the Bank or arising from the contractual relationship with the Bank;
- it is a written protest made on web channels (such as Chat and Social Networks);

the protest is made in the form of a request for clarification, in verbal or written form, by journalists and newspapers.

Targets

Quantitative and qualitative monitoring of the activities carried out by the Complaints, Mediations and Appeals Functions is envisaged, in terms of compliance with processing times and effectiveness; in particular, the focus is on the number of complaints upheld, partially upheld or rejected and the number of favourable arbitration decisions.

Within this framework, and in accordance with the provisions of Section XI of the Bank of Italy's Supervisory Provisions of 20 June 2012, as amended, on the subject of the "Transparency of banking and financial transactions and services - Fairness of relations between intermediaries and customers", the Group prepares and publishes an annual report on its complaint handling activities on its website.

Protecting the human rights of consumers and end users

In line with the significance identified in the Double Materiality Analysis of issues related to consumers and end users, the Group is committed to developing relationships of trust and mutual and lasting satisfaction with customers, marked by values of transparency, fairness and human rights protection. The Group adopts policies and processes designed to ensure fair and respectful treatment of customers throughout the entire relationship cycle, safeguarding the dignity of individuals, service quality, the protection of personal data and information security, as well as responsible and inclusive access to the products and services offered, through conduct inspired by integrity and respect, and by committing to comply with applicable regulations, internal procedures, codes of conduct and the national and international agreements to which it adheres, as well as the contractual and regulatory provisions in force in the geographical areas in which it operates.

Customer and counterparty relationship management processes include reliability and integrity assessments aimed at preventing direct or indirect involvement in illicit activities, human rights violations, risks to people's health and safety, fraud, money-laundering, corruption or the financing of terrorism.

The Group also operates in full accordance with the principles laid down by the United Nations Global Compact and the UNEP Principles for Responsible Banking, to which it adheres.

Complying with the minimum sustainability criteria identified by the Group as mandatory, consistent with the relevant international, European and national (conventions that apply to all counterparties and projects, in order not to provide funding to counterparties and projects for which, during the assessment, present evidence of adverse impacts and of legal proceedings relating to violations of human rights (including health and safety standards), violations of fundamental labour rights and child and forced labour standards, financial and non-financial reporting fraud, money laundering, corruption or financing of terrorism, and which involve controversial and/or internationally banned weapons (e.g. nuclear, biological and chemical weapons, cluster bombs, weapons containing depleted uranium, anti-personnel landmines) and does not support transactions destined for countries subject to sanctions and embargoes, countries in armed conflict and/or whose governments have been responsible for serious violations of international human rights conventions, nor does it have relations with entities operating in these market sectors.

Lastly, the Group guarantees customers clear, complete and understandable information on the products and services offered, in order to encourage informed and responsible decisions, and adopts measures to safeguard privacy and protect personal data against unauthorised access or improper use. Particular attention is devoted to promoting the accessibility of banking services, including through digital solutions and inclusive operating methods, as well as to supporting the financial inclusion of people with specific needs. The Group also adopts a responsible approach towards customers in conditions of economic vulnerability or personal fragility, providing for listening, support and needs management methods consistent with the principles of fairness, proportionality and protection of the person.

Section 4 - Governance Information

ESRS G1 - Business Conduct

This section illustrates, in relation to the management of "business conduct", the policies adopted to prevent, mitigate and correct any non-compliant behaviour, the actions to mitigate actual and potential impacts, address risks and seize relevant opportunities, as well as the targets set to monitor the effectiveness of the actions and the metrics used to monitor the effectiveness of the measures adopted.

The information reported is directly related to and dependent on the specific elements (in terms of impacts, risks and opportunities) identified as material following the double materiality analysis (further details are provided in the "Double Materiality Analysis" section of this document).

The detailed breakdown of the material elements (including evidence of the value chain segment to which they relate and the relevant time horizon) is provided in the dedicated table (also included in the Double Materiality analysis section).

With reference to the various initiatives and lines of action illustrated later in this section, it should be noted that the Group has provided for specific investments and the allocation of dedicated resources to support their definition and development.

Based on assessment criteria defined internally, it is confirmed (in line with the approach adopted in the previous reporting period) that the financial commitments allocated overall to these areas of action, both in terms of capital expenditure (CapEx) and operating expenses (OpEx), are to be considered not material.

Role of administrative, management and control bodies in the conduct of businesses

The Group adopts a Code of Ethics that forms the basis of its activities. It is approved by the Board of Directors in the same way as the Bank's Compliance Programme (231 Model) and it sets out the guiding principles, the values and rules of conduct (in addition to legal and regulatory obligations), which the directors, auditors, managers and employees of the Group companies undertake to respect and disseminate in the performance of their duties, in relation to their respective responsibilities.

The Group also undertakes to promote the dissemination of the principles of the Code of Ethics to associated companies, subsidiaries, investees, business partners, consultants and external staff and associates. Compliance with the code is evaluated in current and future relations. The Code of Ethics is therefore a governance tool and an integral part of the 231 Compliance Programme, binding on all those involved. Its implementation is monitored and verified under the internal control system.

In addition, the presence in the Board of Directors and the Board of Statutory Auditors, in the year 2025, of members with specific theoretical knowledge and practical experience on the subject of business conduct, with a focus on administrative liability pursuant to Legislative Decree No. 231/2001, acquired and matured through:

- role as member of Supervisory Bodies pursuant to Legislative Decree 231, including in listed companies and banks;
- experience as director and/or auditor of listed companies and banks;
- membership of associations/organisations/independent bodies with ethical purposes;
- advisory activities on corporate liability for the relevant offences provided for under Legislative Decree 231/2001;
- Legal knowledge deriving from studies in law, the practice of law and/or academia, and the publication of scholarly articles.

Policies, Actions and Targets relating to business conduct

Policies related to business conduct

[G1-1]

Corporate culture

Related to this paragraph are the issues of corporate culture.

Policies

Among the policies relevant to the Group in the area of corporate culture are the Code of Ethics⁸⁰, which defines the guiding principles and values for all parties acting on behalf of the Group, the Group Directive on managing compliance requirements under Legislative Decree 231/2001 on administrative liability⁵⁸, aimed at overseeing legality and fairness in corporate conduct, as well as the Group Risk Management Policy⁵⁸, which ensures a structured and integrated approach to risk management, including from a sustainability perspective.

Code of Ethics

The Group's Code of Ethics contains the principles, values and rules of conduct that the Group is committed to following in all its activities, in its internal relations, in its relations with the market and significant stakeholders, and with the environment.

The Code is an essential part of Model 231 (the Organisation, Management and Control Model for the prevention of offences pursuant to Legislative Decree 231/01) as it supplements the model in terms of expressing and communicating values, principles and rules of conduct.

Any non-compliance and conduct considered not in line with the provisions of the Code can also be detected by each corporate function, as part of control activities pertinent to their own spheres of responsibility. Relevant reports are to be sent at the same time to the Compliance and Internal Audit Functions through the formal reporting procedure. They must be treated confidentially and analysed to assess their relevance, taking corrective and/or improvement action if necessary. To this end, the compliance function examines the reports for the aspects within its competence, also informing the internal audit function, which, through auditing activities, assesses and ascertains possible conduct that suggests a breach of the Code, and presents the results to the relevant corporate bodies and to the 231 Supervisory Board (hereinafter also referred to as SB 231).

In defining the contents of the policies, the Group gives due consideration to the interests of key stakeholders, as detailed in the Stakeholder Engagement process section of this document.

Cybersecurity

Cybersecurity is one of the pillars of the Group's culture, in line with the principles of integrity, responsibility and stakeholder protection enshrined in the Group's Code of Ethics⁵⁸, and is based on the commitment to guaranteeing the resilience, robustness and responsiveness of its digital system.

To this end, the Group adopts the Directive on Logical Security Governance, integrated with the Directive on ICT Governance and Strategy Definition, the document "Group Directive on ICT Risk and Security Management" and the "Group Directive on Incident Management"⁵⁸, with the aim of minimising the risks associated with cybersecurity breaches and ensuring adequate protection of data and information throughout their entire life cycle. In this context, the Directive defines the **"Information Security Management System"** (ISMS), aimed at guaranteeing safeguarding and protection across all corporate activities, in line with the Group Directive on managing compliance requirements under Legislative Decree 231/2001 on administrative liability.

Actions

In order to guarantee and ensure that all employees are aware of and understand the values and principles underpinning the Group's activities, a structured training model is in place which requires that all employees complete their assigned courses.

The courses are updated on the instructions of the compliance function every time there is a regulatory or procedural innovation. As a result, course enrolment campaigns are planned, with monthly monitoring and a reminder plan for all persons who do not complete the assigned training. Each online course includes a final test, which must be passed to complete the course.

In addition to the necessary mandatory training on matters relating to Legislative Decree 231/2001, the Group uses a multidimensional risk-based training model, aimed at a more effective and broader dissemination of risk culture. The

⁸⁰ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

interaction between the training model and Model 231/01 made it possible to identify the topics relevant to the latter, assigning to each of them – and to the related courses – a level of relevance in relation to 231 risks.

The following tables also show the percentages of training coverage on 231 relevant topics and anti-corruption for 2025 (consolidated data net of the Mediobanca Group).⁸¹

INTEGRITY OF BUSINESS CONDUCT AND THE FIGHT AGAINST CORRUPTION			
Training on 231 relevant topics	UoM	2025	2024
Group employees who received training on 231 relevant topics	N	16,258	16,433
	%	99%	99%
Executives	No.	151	155
	%	99%	99%
Of whom resident in the North-East	No.	12	12
	%	100%	100%
Of whom resident in the North-West	No.	23	24
	%	100%	100%
Of whom resident in the Centre-South	No.	114	116
	%	99%	99%
Of whom resident in the Islands	No.	2	3
	%	100%	100%
Middle managers	No.	6,105	6,088
	%	100%	100%
Of whom resident in the North-East	No.	1,272	1,280
	%	99%	100%
Of whom resident in the North-West	No.	1,076	1,070
	%	100%	99%
Of whom resident in the Centre-South	No.	3,414	3,401
	%	100%	100%
Of whom resident in the Islands	No.	341	337
	%	99%	100%
Of whom resident abroad	No.	2	-
	%	100%	-
Office Staff	No.	10,002	10,190
	%	99%	99%
Of whom resident in the North-East	No.	1,667	1,716
	%	99%	99%
Of whom resident in the North-West	No.	1,569	1,594
	%	98%	99%
Of whom resident in the Centre-South	No.	6,102	6,200
	%	99%	99%
Of whom resident in the Islands	No.	664	680
	%	99%	100%

⁸¹ % calculated on the total number of employees in the relevant structure, including long-term absences.

INTEGRITY OF BUSINESS CONDUCT AND THE FIGHT AGAINST CORRUPTION			
Training on 231 relevant topics	UoM	2025	2024
Bank employees who received anti-corruption training	No.	15,979	16,159
	%	96%	99%
CHIEF EXECUTIVE OFFICER AND DIRECT REPORTING STRUCTURES	No.	23	97
	%	96%	99%
CHIEF AUDIT EXECUTIVE	No.	151	152
	%	100%	100%
CHIEF COMMERCIAL OFFICER CORPORATE AND PRIVATE	No.	2,624	2,574
	%	100%	100%
CHIEF COMMERCIAL OFFICER LARGE CORPORATE & INVESTMENT BANKING	No.	220	225
	%	99%	99%
CHIEF COMMERCIAL OFFICER RETAIL	No.	9,626	9,889
	%	99%	99%
CHIEF COMPLIANCE EXECUTIVE	No.	68	67
	%	100%	100%
CHIEF FINANCIAL OFFICER	No.	241	240
	%	99%	100%
CHIEF HUMAN CAPITAL OFFICER	No.	210	214
	%	97%	97%
CHIEF LENDING OFFICER	No.	763	766
	%	100%	100%
CHIEF OPERATING OFFICER	No.	1,366	1,332
	%	99%	99%
CHIEF RISK OFFICER	No.	177	172
	%	99%	99%
CHIEF SAFETY AND SECURITY OFFICER	No.	120	115
	%	100%	100%
AML DEPARTMENT	No.	77	-
	%	100%	-
GROUP GENERAL COUNSEL	No.	147	151
	%	98%	99%
DEPUTY SALES GENERAL MANAGER	No.	166	165
	%	99%	100%

As far as information security is concerned, the Bank, with the support and cooperation of all corporate structures and Group companies, has established the Information Security Management System (ISMS), a set of organisational structures, processes, procedures and technological solutions adopted for the purpose of protecting the Group's own information assets and the information that customers exchange with the Group. The Parent Company, in line with its training model and with a view to continuity with what had already been launched in previous years, anticipating regulatory requirements, prepared for 2025 a specific training plan that complies with the regulatory provisions of the 40th update to Bank of Italy Circular 285 and supports the management of ICT and security risks. For more information on the actions taken by the Group in the area of cybersecurity, please refer to the actions mentioned under "Privacy" in the chapter Consumers and End Users.

Targets

The internal control system, which is a fundamental element of the overall and ordinary governance system of the Group, ensures compliance with the Code of Ethics. In particular, each corporate function carries out controls aimed at managing, monitoring and governing the set of risks relating to the operational areas and responsibilities falling within its competence, including the risk of non-compliance with the Code.

In addition, there are the Control Functions, which by legislative, regulatory, statutory or self-regulatory provision have control tasks, and the Internal Audit Function, which, through audit and control activities, verifies the regular course of

operations and the development of risks, as well as assessing the completeness, adequacy, functionality and reliability of the organisational structure and other components of the internal control system.

With regard to information security, to ensure adequate management thereof, within the Group roles and responsibilities relating to information security have been defined so as to separate tasks and areas of responsibility with potential overlaps.

Furthermore, within the ISMS, security frameworks and indicators are defined for the guidance, control and monitoring of protection and safeguard measures of the Group's general principles, and contacts are maintained with the relevant authorities and industry associations to ensure constant alignment and info-sharing.

Protection of whistleblowers

Related to this paragraph is the issue of the protection of whistleblowers.

Policies

With regard to reports of violations received through the Whistleblowing channel, the Group has adopted a specific procedure for making such reports, in line with the principles of integrity, transparency, legality and confidentiality enshrined in the Group Code of Ethics and in the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001⁸². This procedure must be followed by personnel in service and qualified external parties where they intend to report fraudulent conduct, irregularities in corporate conduct or violations of the rules governing banking activities and European Union law. The relevant process is governed by the Group Directive on the Management of Internal Systems for Reporting Violations for Banca BMPS, Banca Widiba and Monte Paschi Fiduciaria.

Each employee is required to cooperate actively in achieving high ethical standards, as provided for by the Group Code of Ethics, both directly, by carrying out their duties responsibly, and indirectly, by reporting any violations of laws, regulations and procedures that could have a negative impact on the Group, customers, employees and the community in general.

In defining the contents of the Directive and Policy, the Group gives due consideration to the interests of key stakeholders, as detailed in the Stakeholder Engagement process section of this document.

Actions

For Banca BMPS, Banca Widiba and Monte Paschi Fiduciaria, through the dedicated IT platform, accessible via the internet, or orally through a dedicated telephone service, personnel and qualified external parties may report negligent, unlawful, irregular or improper circumstances and conduct relating to work activities that they suspect or of which they have become aware in the course of performing their duties.

The following categories of persons may report information⁸³:

- personnel, i.e. employees and those who otherwise work on the basis of relationships that determine their inclusion in the company organisation;
- qualified external parties, such as:
 - suppliers, self-employed workers, freelancers and consultants working for the Bank;
 - terminated staff, where the information reported was acquired in the course of the employment relationship;
 - persons for whom the employment relationship has not yet started, where the information reported has been acquired during the selection process;
 - shareholders and persons with administrative, management and control functions.
- The Fraud Audit unit, established within the Internal Audit function of Banca MPS, receives reports and is tasked with carrying out preliminary reviews, investigations and internal inquiries in order to assess the admissibility, the merits and reliability of the reports, gather supporting evidence and reconstruct the facts. This unit informs the whistleblower, within 7 days from the date of receipt, that his/her report has been correctly received and

⁸² For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

⁸³ Whistleblowing reports include, but are not limited to, administrative irregularities and accounting and tax compliance, potential or actual violations of the provisions laid down to prevent money laundering and the financing of terrorism, market abuse (insider trading, manipulation) and other irregularities in investment services and activities, violations of data privacy regulations, cases of corruption, and embezzlement.

taken care of. It also provides feedback to the reporter, within three months of receipt of the report, on the follow-up action taken.

At the end of each investigation concerning the reports received, a Special Investigation Report is prepared, summarising the results of the activities carried out, and, if the investigations reveal responsibilities of employees, a Special Investigation Report is prepared and published as required by the Standards in force.

Companies belonging to the Mediobanca Group, falling within the scope of the MPS Group with effect from 15 September 2025 (Mediobanca, Spafid, MIS, CMB Monaco, Mediobanca International, Compass Banca, Mediobanca Premier, MB Credit Solutions, Selma, Mediobanca Securities, MB Facta, Polus Capital management, Mediobanca Management Company, Mediobanca SGR, RAM active investments, Messier et Associes SAS, Arma partners LLP) have adopted the Policy and established channels for internal reports. Personnel and specifically identified external parties may submit a report through a dedicated IT platform, accessible via the internet, internal/ordinary mail or by means of a direct meeting with the Head of the internal whistleblowing channel. Where a report proves to be well-founded, the Head prepares an explanatory note with the proposed actions to be taken, to be submitted to the management body and, where appropriate, to the local HR contact person.

The Group protects whistleblowers who have submitted a report in good faith against retaliatory, discriminatory or in any event unfair conduct as a result of the report, without having a prejudicial effect on continuation of the employment relationship. The Group ensures confidentiality of the report and of the personal data of the whistleblower and any reported person. Penalties are provided for anyone who violates the measures to protect the confidentiality of the whistleblower, commits retaliatory or discriminatory acts against the whistleblower, or takes action to obstruct the report or attempt to obstruct it.

Targets

The Head of Internal Reporting Systems, identified within the Internal Audit function, also ensures the proper conduct of the process and drafts an annual report to the Board of Auditors, the Board of Directors, the Risk and Sustainability Committee and the Director in charge of the internal control and risk management system. Where reports are received concerning unlawful conduct relevant under Italian Legislative Decree no. 231/2001, or violations of the Organisation, Management and Control Model pursuant to Italian Legislative Decree 231/2001, the Head promptly informs the Supervisory Body 231, to which he/she also submits the above annual final report, approved by the corporate bodies. Pending completion of the integration process, as regards the Mediobanca Group, each company has a person responsible for the internal whistleblowing channel, identified as the Head of Compliance, who manages reports in accordance with the adopted Policy and the legislation in force. In the most significant cases, each Head updates the Chairman of the Board of Directors and the Board of Statutory Auditors. If the matter concerns predicate offences under Model 231/01, the Supervisory Body is also informed.

The process thus structured ensures adequate protection of whistleblowers, although no quantitative targets have been defined in this respect.

Active and passive corruption

Related to this paragraph are the issues of active and passive corruption.

Policies

The Group promotes the principles of transparency, responsibility and integrity, as enshrined in the Group Code of Ethics⁸⁴, in its dealings with public administrations and external collaborators, adopting internal anti-corruption procedures and lines of action addressed to all personnel.

To strengthen this commitment, the Group issued a document entitled "Rules for the prevention of corruption in the Group"⁶², which constitutes the reference framework for the prevention of corruption risks. This document is supplemented by the "Directive for the Management of prescriptive requirements concerning Italian Legislative Decree 231/2001 on administrative liability"⁶², thereby strengthening the anti-corruption policy already adopted by the Group over time, also through the provision of specific procedures for managing the exercise of signing powers, the accounts payable cycle, expenditure and relations with suppliers.

⁸⁴ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

In defining the contents of the cited documents, the Group gives due consideration to the interests of key stakeholders, as detailed in the Stakeholder Engagement process section of this document.

Actions

The Group operates in line with its values and with a sense of responsibility towards the community, adopting a "zero-tolerance" policy towards any corrupt practice (direct or indirect, public or private, external or intra-organisational, instigated, attempted or completed), in order to ensure that personnel and all persons operating within it comply with anti-corruption legislation, by implementing all the necessary measures to prevent and effectively combat the related risks. In this regard, the Group is committed to carrying out a self-assessment of risks, to be submitted periodically to the corporate functions in order to assess their likelihood of occurrence and the effectiveness of the relevant existing regulatory and control measures.

The Group identifies periodically, with a frequency of not less than every two years, the main areas considered to be at risk of corruption connected with significantly sensitive activities⁸⁵ and, for each of them, supplements the existing processes with specific guidance aimed at preventing any such incidents. In addition to regulatory sanctions, any violation of anti-corruption provisions may lead to disciplinary action against the employee responsible, up to the termination of employment in the worst cases.

For each business process, the corruption risks to which the Group is potentially exposed are assessed⁸⁶. On the basis of the results of the latest assessment exercise carried out in 2024, despite the existence of potential risks across all Group structures, no need emerged for further action in addition to the safeguards currently in place. With specific reference to relations with the **Public Administration**, which are particularly sensitive to the risk of corruption, the Group expressly prohibits the granting of political contributions or any disbursement in cash or in kind to support a particular political cause.

For the purposes of '231 Model', in order to prevent offences and unlawful acts against the Public Administration, employees, as well as Directors, Statutory Auditors and corporate officers, in compliance with the principles of loyalty, integrity, independence and fairness, operate in accordance with the internal directive by neither offering nor promising payments, goods or benefits to Public Officials or employees of the Public Administration and by complying with internal procedures on price-sensitive information, in order to avoid market disruption. They comply with internal rules and legal provisions on data security, preventing cyber offences to the detriment of public bodies, and comply with environmental legislation in producing the required documentation. In relation to the safeguards put in place with regard to active and passive corruption, the Group is committed to complying with an anti-corruption programme that provides for:

- a risk self-assessment exercise to be submitted periodically to the corporate functions, relating to the risks and safeguards present in the respective processes;
- a training and awareness-raising plan addressed to employees.

The Training function updates the contents of the anti-corruption course on the instructions of the Compliance function (responsible for the validation of the contents) whenever there are regulatory or procedural changes or gaps in the audit. In addition, the training plan for the Internal Audit function includes specific training activities for Fraud Audit staff, including a training pill and a more structured course, including through the use of international certification paths (e.g. Certified Fraud Examiner).

For the Boards of Directors of the subsidiaries, specific board induction sessions on administrative liability of entities and the structure of the Group's 231 Models.

Combating money laundering, terrorist financing and breaches of restrictive measures

Related to this paragraph are the issues of combating money laundering, terrorist financing and breaches of restrictive measures.

⁸⁵ Including: awarding contracts to suppliers; joint ventures, acquisitions and disposals of shareholdings; giveaways and entertainment; events and sponsorships; job offers; disbursement of credit; management of the accounts payable cycle (expenditure); consultancy; transactions in which the Bank is a public service provider (subsidised finance); political contributions, donations, membership fees, non-profit; management of services of a public nature.

⁸⁶ These risk cases include, but are not limited to, bribery in judicial proceedings, bribery for an act contrary to official duties perpetrated by a person in charge of a public service, bribery for an official act, extortion and incitement to bribery.

Policies

The Group has adopted Policies on anti-money laundering, combating the financing of terrorism and breaches of restrictive measures⁸⁷, in line with the principles of integrity, legality and responsibility enshrined in the Group Code of Ethics⁸⁸. In this context, it has adopted a "Group Policy on combating money laundering and the financing of terrorism"⁶⁷ as an expression of its commitment to combating the above criminal phenomena at international level, paying particular attention to safeguarding and control instruments. This policy framework is supplemented by the Group Directive for the Management of prescriptive requirements concerning Italian Legislative Decree 231/2001 on administrative liability⁶⁷, thereby strengthening the internal control system and ensuring that the pursuit of profitability and efficiency objectives is combined with continuous and effective safeguarding of the integrity of the corporate structures.

Actions

Within the Anti Financial Crime framework adopted by the Group, which contains measures, strategies, policies and procedures to prevent, deter, detect, investigate and combat all forms of financial crime, the Anti-Money Laundering Function monitors the risks of money laundering, terrorist financing and breaches of restrictive measures, reporting periodically to the top management bodies through dedicated reporting flows.

In full compliance with the legislation in force and with the provisions set out both in the Group Directive on Combating Money Laundering and the Financing of Terrorism and in the Group Code of Ethics, the Parent Company does not support transactions with customers operating in controversial sectors that (i) do not comply with the national legislation in force and (ii) are not, where required, previously authorised by the competent Italian national authorities.

The customer due diligence measures adopted do not in any event determine, a priori, the preclusion or refusal of access to financial services by high-risk customers or entire categories of high-risk customers who would be entitled to them under the legislation in force, except in the cases expressly provided for by Italian Legislative Decree 231/07, relating to the prohibition on entering into relationships with certain types of persons.

Application of the 231 Model, its structure and careful implementation, requires all those acting on behalf of the Company to observe fully and completely the duties and obligations imposed by the legislation in force and company directives. This results in the scrupulous application of internal, operational management and reporting procedures. In collaboration with the Knowledge and Risk Academy Function, the Anti-Money Laundering Function periodically prepares an appropriate training plan aimed at ensuring the continuous updating of employees and collaborators, as well as updating training courses on the basis of developments in anti-money laundering legislation or changes in procedures.

For the top management bodies of the Parent Company and Subsidiaries, dedicated board induction sessions on anti-money laundering matters, including the AML risk self-assessment process, are provided periodically in the event of significant regulatory changes or renewal of the Boards of Directors.

Targets

As regards prevention aimed at combating money laundering, terrorist financing and breaches of restrictive measures, the relevant risk oversight is ensured by the Parent Company's Anti-Money Laundering Function, whose responsibility at Group level is assigned to the Head of the AML Department, who reports directly to the Chief Executive Officer and centrally performs the function also for the Group's Italian subsidiaries.

In the area of combating money laundering and terrorist financing, the Group's controls consist of the activities listed below:

- identifying applicable regulations, assessing the impact on processes and procedures, updating the internal regulatory framework;
- implementing suitable IT procedures for consistent risk management, due diligence, data and information storage, continuous monitoring of customers and transactions, detection of potentially suspicious transactions and reporting to the Financial Intelligence unit;
- assessing the ongoing adequacy of the risk management process and the suitability of the internal control system and procedures;

⁸⁷ These concepts refer to the risk arising from the breach of legal, regulatory and self-governance provisions necessary for preventing use of the financial system for purposes of money laundering, terrorist financing or the financing of programmes for the development of weapons of mass destruction, as well as the risk of involvement in money laundering, terrorist financing or the financing of programmes for the development of weapons of mass destruction.

⁸⁸ For further details on the characteristics of the Policies, please refer to the Section 'Group sustainability policies'

- the preparation of training initiatives on anti-money laundering, counter-terrorism and restrictive measures for all employees.

Since 2024, the scope of second-level risk oversight assigned to the Anti-Money Laundering Function has also been extended to the Embargoes and Restrictive Measures area, oversight of which is ensured by the "Senior Staff Member Responsible for Restrictive Measures", whose responsibility, including at Group level, is assigned to the Head of the AML Department, who performs a supervisory role on the adequacy and effectiveness of policies, internal procedures and controls concerning the management of Restrictive Measures, sanctions and embargoes. The latter, in collaboration with the competent corporate functions, proposes the organisational and procedural changes necessary and/or appropriate to ensure adequate control of the risk of breaches of restrictive measures, sanctions and embargoes.

Additionally, in line with the model adopted for the Group's Internal Control System, the Corporate Bodies are specifically involved in mitigating the aforementioned risks, through clearly defined tasks and responsibilities.

On the basis of the above safeguards, the Group ensures the prevention of active and passive corruption, although it has not defined quantitative targets in this regard.

Metrics

Training on the fight against corruption and bribery

[G1-3]

The metrics used to monitor the effectiveness of the measures taken to manage business conduct, in relation to anti-corruption training and active and passive bribery cases, are reported in this section.

Training on the fight against corruption and bribery

As part of the periodic activities carried out by the Group in order to identify the main areas considered to be "at risk of corruption", within which the mapping of functions at risk carried out by the Compliance function takes place, potentially all corporate structures are exposed to "corruption risk".

In line with this context, it is specified that 100% of the Parent Company's staff are involved in the enrolment campaign for anti-corruption courses. The following table sets out the total number (in number of workers) of persons falling within the functions at risk who have benefited from the training courses, excluding long absences. In addition, the table includes information on the nature, scope and topics covered by the training programmes against active and passive corruption and the extent to which they were delivered to members of the administrative, management and supervisory bodies.

Table on training on the fight against corruption and bribery

Consolidated data	2025			
	Functions at risk	Executives	The administrative, management and supervisory bodies	Other own workers
Extent of training (no. of workers)				
Total	17,659	611		241
Total training recipients	17,577	609	15	236
Mode of delivery and duration (hours)				
Classroom training (total hours)	14.0	6.0		-
Computer-based training (total hours)	8,706.2	370.1		78
Voluntary computer-based training (total hours)				
Total training hours	8,720.2	376.1		77.5
Frequency (within the year)				
How often is training required?	1	1		
Topics covered (Y/N)				
Definition of corruption	Y	Y		
Policy	Y	Y		
Suspicion/detection procedures	Y	Y		

*the figure refers to the Parent Company and Widiba

Of which: Mediobanca Group	2025			
	Functions at risk	Executives	The administrative, management and supervisory bodies	Other own workers
Extent of training (no. of workers)				
Total	1,440	462		241
Total training recipients	1,433	460	15	236
Mode of delivery and duration (hours)				
Classroom training (total hours)	12.0	6.0		
Computer-based training (total hours)	175.5	267.8		77.5
Voluntary computer-based training (total hours)				
Total training hours	187.5	273.8		77.5
Frequency (within the year)				
How often is training required?				
Topics covered (Y/N)				
Definition of corruption				
Policy				
Suspicion/detection procedures				

Of which MPS Group	2025			
	Functions at risk	Executives	The administrative, management and supervisory bodies	Other own workers
Extent of training (no. of workers)				
Total	16,219	149		
Total training recipients	16,144	149		
Mode of delivery and duration (hours)				
Classroom training (total hours)	2.0			
Computer-based training (total hours)	8,530.7	102.3		
Voluntary computer-based training (total hours)				
Total training hours	8,532.7	102.3		
Frequency (within the year)				
How often is training required?	1	1		
Topics covered (Y/N)				
Definition of corruption	Y	Y		
Policy	Y	Y		
Suspicion/detection procedures	Y	Y		

*the figure refers to the Parent Company and Widiba

	2024			
	Functions at risk	Executives	The administrative, management and supervisory bodies	Other own workers
Extent of training (no. of workers)				
Total	16,439	155	7	-
Total training recipients	16,321	155	7	-
Mode of delivery and duration (hours)				
Classroom training (total hours)	19.0	-	5.0	-
Computer-based training (total hours)	12,227.0	116.3	2.0	-
Voluntary computer-based training (total hours)	-	-	-	-
Total training hours	12,246.0	116.3	7.0	-
Frequency (within the year)				
How often is training required?	1	1	-	-
Topics covered (Y/N)				
Definition of corruption	Y	Y		
Policy	Y	Y		
Suspicion/detection procedures	Y	Y		

Confirmed incidents of corruption and bribery

[G1-4]

In 2025, no cases of legal and regulatory non-compliance within the Group were found, without penalty of any kind or with a non-monetary penalty, and there were no confirmed instances of corruption involving the workforce (as in 2024).

Section 5 - Annexes

Annex 1 - Disclosure on non-material topics

Set out below is information on the safeguards adopted by the Group for the management of topics which, although not material following the double materiality analysis, remain of interest to the Group.

Lobbying activities

The MPS Group is a member of various trade associations and representative bodies relevant to its area of operation, in order to contribute to the development of the sector and participate transparently in technical and regulatory consultation processes. These memberships include, by way of example, associations active in representing the banking and financial system, factoring, financial advisory services, private banking, capital markets, leasing, consumer credit and occupational health and safety. Some of these organisations engage in institutional dialogue and regulatory advocacy activities, sometimes attributable to lobbying practices, always in compliance with the principles of integrity, transparency and fairness to which the Group adheres.

Tax Strategy

In line with the values and principles expressed in its Code of Ethics, the Group is committed to full and rigorous compliance with the applicable tax legislation, adopting organisational safeguards and internal processes designed to ensure a high level of tax compliance. Tax management is integrated into the internal control and risk management system through processes and organisational safeguards designed to ensure the timely identification, assessment and mitigation of tax risks. Accordingly, in its dealings with the tax authorities in all the jurisdictions in which it operates, the Group promotes conduct based on fairness, cooperation and transparency, fostering constructive dialogue aimed at preventing disputes.

Proper tax management is overseen by specialist structures dedicated to monitoring the relevant legislation, ensuring the correct implementation of tax legislation in activities and business processes, and managing tax obligations; these functions are also outsourced for certain smaller Group companies. Oversight of the risk of non-compliance with tax legislation is entrusted to dedicated Tax Compliance structures, in compliance with the supervisory provisions issued by the Bank of Italy for the banking sector. At the Parent Company, as well as at the main Group companies, the tax and Tax Compliance structures are located within the organisational reporting line of the Chief Financial Officer (CFO) function.

The same principles and values inspire all the companies of the Mediobanca Group, which entered the scope of the MPS Group with effect from 15 September 2025 and whose tax strategy was formalised in the document "Principi di Condotta in materia fiscale" (approved by Mediobanca's Board of Directors), which describes the guidelines and principles of conduct governing the application of tax legislation in Italy and abroad for the companies formerly belonging to the Mediobanca Group. In this regard, it should be noted that the subsidiaries Mediobanca, Mediobanca Premier and Compass Banca were admitted⁸⁹ to the special "collaborative compliance" or "cooperative compliance" regime governed by Legislative Decree no. 128 of 5 August 2015, a framework aimed at strengthening cooperation between the tax authorities and taxpayers; this regime provides, with regard to the risk cases and materiality thresholds established by the Revenue Agency (AdE), for specific mechanisms of prior dialogue aimed at obtaining interpretative certainty in relation to relevant tax matters. In this context, the aforesaid companies have adopted a Tax Control Framework, aimed at ensuring an effective system for identifying, measuring, managing and controlling tax risks, in line with OECD standards and the requirements laid down by the Revenue Agency for entities admitted to cooperative compliance.

As regards the Group's international presence, it should be noted that the acquisition of control of the Mediobanca Group led to a significant increase in the number of countries in which the Group operates. As at 31 December 2025, the Group's foreign establishments (following integration with Mediobanca) were located in the following countries:

China: the Group is present through the MPS Shanghai branch

⁸⁹ Mediobanca Premier and Compass Banca were admitted to the regime on 30 December 2025 pending submission of the statutory certification to be filed by 30 September 2026, as provided for by Legislative Decree 192/2025.

France: the Group is present through Monte Paschi Banque S.A. and its subsidiaries, Messier et Associes S.A.S., as well as the Mediobanca Paris branch

United Kingdom: the Group is present through Polus Capital Management Group Limited and its UK subsidiaries, Arma Partners L.L.P. and its UK subsidiary, Heidy Pay Limited, MB SpeedUp Limited⁹⁰, as well as the Mediobanca London branch

Principality of Monaco: the Group is present through CMB Monaco S.A.M. and its subsidiaries

Germany: the Group is present through Arma Deutschland GmbH, as well as the Mediobanca Frankfurt branch

Gibraltar: the Group is present through Polus Capital Management Limited's branch

Switzerland: the Group is present through Ram Active Investments S.A., Heylight S.A. and Heidi Pay Switzerland A.G.

Ireland: the Group is present through Axa MPS Financial DAC⁹¹

USA: the Group is present through Mediobanca Securities USA LLC, Polus Capital Management INC. and Messier et Associes L.L.C.

Luxembourg: the Group is present through Mediobanca International S.A., MB Funding Luxembourg S.A., Compass RE S.A., Mediobanca International Immobiliere S. A R.L. and Mediobanca Management Company S.A.

Grand Cayman: the Group is present through Bybrook Capital Management Limited (in liquidation) and its subsidiary Bybrook Capital Burton Partnership (GP) Limited

Spain: the Group is present through the Mediobanca Madrid branch

In line with the commitments made under the previous Restructuring Plan 2017-2021 (revised by the European Commission in 2022), the final closure of the Shanghai branch is scheduled for 2026 (liquidation activities are currently under way). With regard to Monte Paschi Banque S.A., on 13 June 2024 the Parent Company's Board of Directors approved an exclusivity agreement with a private equity fund for the sale of 100% of the French subsidiary, as a result of which Monte Paschi Banque will not be able to undertake new activities, but only those necessary for the wind-down of its existing activities. The sale transaction is expected to be completed during 2026.

The Group's foreign activities are subject to accurate and timely annual reporting to the Revenue Agency, through completion of the **Country-by-Country Report (CbCR)**, laid down in article 1, paragraphs 145 and 146, Law no. 208 of 28 December 2015. They are also subject to specific disclosure in the consolidated financial statements (see Notes to the consolidated financial statements - Public disclosure pursuant to article 89 - Country-by-country reporting - Directive 2013/36/EU - "CRD IV").

Pursuant to the tax provisions introduced by Legislative Decree no. 209 of 27 December 2023, which transposed Council Directive (EU) 2022/2523 of 15 December 2022 into Italian law (the so-called Second Pillar - Pillar 2), aimed at ensuring a **global minimum level of taxation** (the so-called "Global Minimum Tax") for large multinational and domestic groups, the Group regularly assesses the potential impact of the new tax on the Group's financial position and performance and also fulfils the resulting mandatory obligations.

AI innovation

The spread of a corporate culture geared towards the responsible use of Artificial Intelligence promotes the effectiveness and efficiency of operating processes. All this is taking place within a process of global transformation that clearly affects the financial landscape and beyond. Every social process, as well as every dynamic of economic relations, is undergoing unprecedented change.

In this context, in 2025 the Group embarked on a proactive journey to integrate AI into its operating DNA and create an ecosystem in which technology and human expertise collaborate and coexist in an interaction capable of generating sustainable value. This interaction has generated benefits in strategic terms, in business support and in operational simplification, fostering constant improvement in service delivery.

⁹⁰ Joint venture (50%-owned company)

⁹¹ Joint venture (50%-owned company)

The use of Artificial Intelligence within the Group, in line with the 2024-2028 Industrial Plan, is structured along four lines of action:

1. Adoption of enabling technologies that allow integrated management of data and AI and Generative AI models in support of the development of individual use cases.
2. Development of high-impact use cases aimed at improving operational efficiency and increasing revenues, in line with the priority projects of the Industrial Plan.
3. AI governance, through the implementation of a clear organisational model; a governance framework, namely for the control and classification of systems; traceability and incident reporting procedures; transparency towards users; modular training programmes), as well as ongoing monitoring in order to ensure ethical and compliant use.
4. Training and change management, with dedicated pathways for the development of theoretical and practical skills and the adoption of an AI training and broad-based literacy plan to ensure the responsible and compliant use of AI.

Within the strategic programme, milestones across the plan horizon were defined for each line of action.

Specifically, two important results were achieved during 2025

- the overall design of the Governance operating model was completed, with gradual roll-out starting in 1Q26
- human resources training was structured on three levels: literacy, applied AI skills and specialist training for IT; 16,303 employees were trained.

For each individual initiative, KPIs are to be defined for the AI model and for the related interaction between use and business process.

The above will enable the Group to pursue a gradual path: from experimentation in controlled environments to the large-scale implementation of Machine Learning and Generative AI solutions, ensuring secure, results-oriented scalability.

Innovation, guided by clear and well-defined ethical principles and robust governance, will ensure transparency, integrity and accessibility, with systems free from bias. Every decision will be traceable and will follow a comprehensive ex ante assessment of any risks, with constant monitoring and verification of regulatory compliance, including *compliance with the European AI Act*.

This approach will enable the Group to govern the integration of AI into processes and operating systems, doing so with the utmost responsibility while maintaining the centrality of the individual and the historic values that distinguish the Group.

Waste and water consumption metrics

According to the double materiality analysis required by the ESRS, the topic of the circular economy in own operations is not material for the Group. In accordance with ESMA guidance, the information reported in this section is therefore provided in summary form and clearly identified as non-material, so as not to obscure or compromise the understandability of material disclosures relating to climate change and other relevant environmental matters. The initiatives described below are purely descriptive and supplementary and do not alter the outcome of the materiality assessment.

Actions

Through the "Maintenance and Projects Governance" function within the Real Estate and Logistics Area, the Group **coordinates and manages waste and workplace cleaning services** with the aim of containing environmental impacts.

Various types of waste are generated in the course of its activities. The main types are paper waste and toner cartridges (with regenerated materials preferred for toner cartridges). At all Head Office sites and branches, **prompt collection is provided, together with the related waste management** through to disposal. The Group provides for the **sorting, collection, and disposal of the waste it produces** (paper, cardboard, toner, bulky materials and special waste). Disposal is arranged through qualified operators, entered in special registers as required by regulations in force, which transport the products classed as waste to authorised treatment plants and landfills. The above activities are always accompanied by the relevant consignment notes, the originals of which are archived for at least 3 years at the properties where the waste was generated.

Waste disposed of through the municipal collection system is not included in the reporting. This consists of dust residue and miscellaneous dirt arising from the ordinary cleaning activities carried out daily, together with small items of separately collected waste, such as small bottles, cans and paper residues produced during office activities.

Starting from January 2022, dedicated databases were created containing details of waste sent for disposal, both for recovery and for final disposal, in order to maintain a constant summary of the waste collected. Data are collected quarterly, analysed by the "Maintenance and Projects Governance" function and, where necessary, supplemented with any activities performed by companies other than the two main suppliers throughout the country. All the companies engaged in disposal activities have provided the certifications required by the legislation in force. This documentation is collected in a dedicated database, monitored and updated on an ongoing basis. Waste information derives from analysis of the fourth copy of the consignment notes, which indicates the weights relating to material transferred to the plant for disposal, recovery or destruction. Waste is generated by the Bank both through ordinary activities and through one-off events such as property closures, office consolidations or office relocations.

Within the database, the waste generated is divided between waste intended for reuse and waste intended for disposal.

In February 2025, the Bank completed registration on the RENTRI portal (**National Electronic Register for Waste Traceability**) in compliance with the relevant legal provisions.

The paper archive of real estate-related documents was transferred to the Archibus information system, and contract digitisation activities led to a significant reduction in paper use at branches. In addition, recycled paper has almost entirely replaced the use of cellulose-based paper.

As regards cleaning services, a framework agreement was signed with the appointed companies which, throughout Italy, envisages the commitment to use Ecolabel products for the office cleaning service, to separate waste and to maintain ISO 14001 certification standards.

In 2025, Magazzini Generali Fiduciari Mantova generated **59.5 tonnes of Category 3 Animal By-Products (SOA3)**, consisting mainly of residues deriving from the brushing and scraping of the cheese wheels stored at the plant. SOA3, classified as low health-risk materials under Regulation (EC) No 1069/2009, are not intended for human consumption for commercial reasons or reasons linked to the production process, and generally include processing waste, non-edible parts and dairy residues that can be recovered in various production cycles (e.g. fertilisers, feed after treatment, biogas production, cosmetics or technical products).

The materials produced are managed by a specialised and duly authorised company, which handles their collection, processing and subsequent recovery. In line with a circular approach to resource management, the main destination for SOA3 is the production of fertilisers used in agriculture, thus contributing to nutrient recovery and reducing recourse to virgin raw materials. The entire process is carried out under the supervision of the competent health authorities of the Lombardy Region, in particular ATS Valpadana, ensuring full compliance with the hygiene, health and environmental requirements laid down by the applicable legislation.

Water Consumption: With regard to information on the use of water resources, the Group's limited annual per capita water consumption may be regarded as equivalent to civil, that is non-industrial, use of water resources and is therefore not material.

Annex 2

KEY PERFORMANCE INDICATORS (KPI) OF CREDIT INSTITUTIONS

Introduction

The tables below show the disclosure requirements under Article 8 of the Disclosures Delegated Act supplementing the EU Taxonomy Regulation (2020/852)⁹².

These requirements call on financial undertakings to disclose taxonomy eligibility and alignment KPIs in order to ensure transparency on sustainability and accelerate the transition to a low-carbon economy. In particular, Article 8 of the Regulation requires undertakings falling within the scope of the Sustainability Reporting Directive - Directive (EU) 2022/2464 (CSRD) to publish information on how and to what extent their economic activities qualify as "environmentally sustainable" under the Taxonomy Regulation. The result is presented by the *Green Asset Ratio* (GAR), i.e. exposure to Taxonomy-aligned activities (numerator) divided by total GAR assets (denominator).

Alignment criteria

Eligible activities

Activities identified in the EU Taxonomy for each environmental objective.

To be reported as **aligned**, they must satisfy all of the following requirements:

- substantial contribution to at least one of the objectives
- no significant harm (DNSH) to the other five
- compliance with minimum safeguards
- compliance with the relevant technical requirements

Aligned activities

Activities that fully satisfy the alignment criteria.

EU Taxonomy 2025 Reporting

The main changes derive from the adoption of the amended **Delegated Act**, which simplifies reporting. The changes implemented are:

- inclusion of the new mandatory templates
- application of materiality thresholds at KPI level
- adoption of the amended Green Asset Ratio calculation method
- elimination of the templates for nuclear and gas, now aggregated in Template 2
- duplication of Templates 1 and 5 to present "stock" and "flow" views

In line with the amended delegated regulation, the following are now excluded from the GAR denominator:

- undertakings not subject to the CSRD (except in the case of voluntary disclosures or where the parent company falls within the scope of the CSRD),
- derivatives,
- cash and cash equivalents,
- on-demand interbank loans,
- other assets such as goodwill and commodities.

Applied Methodology

KEY PERFORMANCE INDICATORS (KPI) OF CREDIT INSTITUTIONS

The main methodological choices adopted by the Group on the basis of the legislation in force are described below. In particular, the Group has adopted the key performance indicators (KPIs) set out in Annex V of Commission Delegated Regulation (EU) 2021/2178.

The Green Asset Ratio (GAR) is the ratio of exposure to Taxonomy-aligned activities to the total value of the assets included in the GAR.

⁹² For a full discussion of the relevant regulatory framework, please refer to the section entitled "Disclosure pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)" in Section 2 "Environmental Information" of this Sustainability Statement.

The following methodological decisions were made to determine the share of taxonomy-eligible and taxonomy-aligned exposures:

- Financial undertakings and undertakings not subject to the obligation to publish non-financial information (CSRD): exposures where the use of proceeds is not known - as determined with the support of an external provider - were weighted by the turnover and CapEx KPIs, in relation to taxonomy eligible and aligned activities for the six environmental objectives, published by these counterparties in their respective non-financial statements. On the other hand, taking into account the technical screening criteria set out in Delegated Regulation 2021/2139 EU, there are no taxonomy eligible and aligned exposures where the use of proceeds is known. In light of the interpretative clarifications provided by the European Commission in the FAQs on 21 December 2023 and in November 2024, the identified CSRD counterparties also included counterparties whose parent companies are subject to non-financial reporting requirements;
- guaranteed household loans: based on Delegated Regulation 2021/2139, only loans secured by residential real estate were considered for eligibility. On the other hand, loans for “building renovations” under the same regulation were out of scope due to the lack of specific information on identifying “green loans”. To determine alignment KPIs, the technical screening criteria set forth in the aforementioned Delegated Regulation were applied to distinguish between real estate constructed before and after 31 December 2020. For 2025, with regards to buildings constructed before 2020 that do not meet the requirement of a class-A energy performance certificate, the Group applied the criterion – in light of the abovementioned clarifications provided by the European Commission – of whether the building was included in the top 15% of the national or regional building stock in terms of primary energy requirements. This was because it was able to make use of studies published by private entities, unlike in the previous financial year;
- Flows: In line with Regulation (EU) 2021/2178, the Group considers the amount of new exposures based on the gross book value as the flow; only positive flows are considered without deducting the amounts of loan repayments or sales of debt/equity instruments that occurred in the same period.
- Assets under management: the ratio of the portfolio of equity and debt securities held as Assets Under Management and issued by financial and non-financial companies subject to mandatory CSRD to total equity and debt securities held in as Assets Under Management was considered. It should be noted that, for the items “Managed financial assets – of which debt securities” and “Managed financial assets – of which equity instruments”, the Mediobanca scope is not included on a stock basis.

Trading Book, Fee and Commission data relating to alignment and eligibility will be reported from 2028 onwards, as provided for by current regulations.

The following table sets out the consolidated KPIs, broken down by the business areas in which the MPS Group and its subsidiaries operate. The data relating to the Asset Management business refer to Mediobanca.

Business Line	Revenues	Share of the Group's total revenues	Turnover-based KPI	CapEx-based KPI	Turnover-based KPI (weighted)	CapEx-based KPI (weighted)
Banking	7,529,790.00	98.67%	3.99%	23.09%	3.94%	22.78%
Asset Management	101,594.00	1.33%	1.68%	2.50%	0.02%	0.03%
Total	7,631,384.00	100%				
Average KPIs					3.96%	22.82%

Annex VI - Template for KPIs of credit institutions

31.12.2025		Total exposures to Taxonomy-aligned activities (EUR)		KPI (%)	KPI (%)	Coverage ratio (of total assets) (3) (%)	Exposures not assessed (% of covered assets) (4) (%)	Exposures not assessed (% of covered assets) (4) (%)
		Based on turnover	Based on CapEx	Based on turnover	Based on CapEx		Based on turnover	Based on CapEx
Key KPI	GAR (Green Asset Ratio) – stock basis	3,633	4,377	4%	5%	38%		
<i>Additional KPIs</i>	GAR (flow)	1,014	1,320	8%	10%	91%		
	Trading portfolio							
	Financial guarantees	20	13	1%	1%			
	Financial assets managed	468	700	2%	3%			
	Fees and commission income (5)							

31.12.2024		Total exposures to Taxonomy-aligned activities (EUR)		KPI (%)	KPI (%)	Coverage ratio (of total assets) (3) (%)	Exposures not assessed (% of covered assets) (4) (%)	Exposures not assessed (% of covered assets) (4) (%)
		Based on turnover	Based on CapEx	Based on turnover	Based on CapEx		Based on turnover	Based on CapEx
Key KPI	GAR (Green Asset Ratio) – stock basis	997	1,089	1.05%	1.15%	75.77%		
<i>Additional KPIs</i>	GAR (flow)	587	1,055	0.62%	1.12%	6.54%		
	Trading portfolio							
	Financial guarantees	13	33	1.06%	2.75%			
	Financial assets managed	14	30	3.45%	7.24%			
	Fees and commission income (5)							

1.Assets for the GAR (stock) Turnover calculation

Stock: 31.12.2025 Million EUR		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 by environmental objective									Exposures not assessed	Of which financing of counterparties' non-material activities (1)	Of which exposures financing counterparties making the disclosure referred to in Article 7(9)	Of which not assessed, deemed non- material by the credit institution (2)
					Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution prevention and control (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceeds	Of which transitional	Of which enabling				
1	GAR - Assets covered both in the numerator and in the denominator	91,088	54,370	3,633	3,569	2	42	16	5			26	606				
2	Loans and advances, debt securities and equity instruments not held for trading eligible for inclusion in the GAR calculation	90,983	54,317	3,633	3,569	2	42	16	5			26	606				
3	Financial undertakings	11,130	1,556	223	221	1		1				18	89				
4	Loans and advances	9,185	1,181	166	165	1						16	75				
5	Debt securities, including use of proceeds	1,596	369	55	54			1				2	13				
6	Equity instruments	350	6	2	2								1				
7	Non-financial undertakings	7,721	1,966	971	908	1	42	15	5			8	517				
8	Loans and advances	7,401	1,886	940	878	1	42	15	5			8	511				
9	Debt securities, including commitment of proceeds	118	71	23	23								5				
10	Equity instruments	201	9	8	8												
11	Households	71,214	50,794	2,440	2,440												
12	of which loans secured by residential property	46,972	46,972	2,440	2,440												
13	of which loans for the renovation of buildings																
14	of which loans for motor vehicles	3,858	3,823														
15	Loans to local public administrations	918															
16	Residential housing loans																
17	Other loans to local public administrations	918															
18	Real estate collateral acquired through possession: residential and commercial properties	106	53														
19	Exposure included on a voluntary basis (3)																

20	Total GAR assets	91,088															
21	Assets not included in GAR calculation	150,378															
22	Central governments and supranational issuers	20,189															
23	Exposures to central banks	13,733															
24	Trading portfolio	23,752															
25	Undertakings and entities not subject to CSRD	67,733															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure requirements	60,999															
27	Loans and advances	57,798															
28	of which loans secured by commercial real estate	40,820															
29	of which loans for the renovation of buildings																
30	Debt securities	3,051															
31	Equity instruments	150															
32	Non-EU counterparties not subject to CSRD reporting requirements	6,734															
33	Loans and advances	5,086															
34	Debt securities	1,018															
35	Equity instruments	629															
36	Derivatives	882															
37	On-demand interbank loans	1,315															
38	Cash and cash equivalents	811															
39	Other asset categories (e.g., goodwill, goods)	21,963															
40	Total assets	241,466															
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	1,561	30	20	18	1						3	10				
42	Financial assets managed	27,946	2,047	468	449	5	1	9	4			42	197				
43	Of which debt securities	15,609	967	258	248	3	1	3	3			32	90				
44	Of which equity instruments	6,667	742	131	128			3				6	69				

1.Assets for the GAR (stock) - Capex calculation

Stock: 31.12.2025 Million EUR		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 by environmental objective									Exposures not assessed	Of which financing of counterparties' non-material activities (1)	Of which exposures financing counterparties making the disclosure referred to in Article 7(9)	Of which not assessed, deemed non- material by the credit institution (2)
					Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution prevention and control (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceeds	Of which transitional	Of which enabling				
1	<u>GAR - Assets covered both in the numerator and in the denominator</u>	91,088	55,878	4,377	4,278	3	75	18	4			31	1,043				
2	Loans and advances, debt securities and equity instruments not held for trading eligible for inclusion in the GAR calculation	90,983	55,825	4,377	4,278	3	75	18	4			31	1,043				
3	Financial undertakings	11,130	2,130	275	272	1		1				20	124				
4	Loans and advances	9,185	1,735	198	197	1						17	97				
5	Debt securities, including use of proceeds	1,596	388	74	73			1				3	25				
6	Equity instruments	350	8	3	3								2				
7	Non-financial undertakings	7,721	2,901	1,663	1,565	2	75	17	4			11	919				
8	Loans and advances	7,401	2,775	1,584	1,487	2	75	17	4			11	912				
9	Debt securities, including commitment of proceeds	118	105	72	72								8				
10	Equity instruments	201	21	6	6												
11	Households	71,214	50,794	2,440	2,440												
12	of which loans secured by residential property	46,972	46,972	2,440	2,440												
13	of which loans for the renovation of buildings																
14	of which loans for motor vehicles	3,858	3,823														
15	Loans to local public administrations	918															
16	Residential housing loans																
17	Other loans to local public administrations	918															
18	Real estate collateral acquired through possession: residential and commercial properties	106	53														
19	Exposure included on a voluntary basis (3)																

20	Total GAR assets	91,088															
21	Assets not included in GAR calculation	150,378															
22	Central governments and supranational issuers	20,189															
23	Exposures to central banks	13,733															
24	Trading portfolio	23,752															
25	Undertakings and entities not subject to CSRD	67,733															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure requirements	60,999															
27	Loans and advances	57,798															
28	of which loans secured by commercial real estate	40,820															
29	of which loans for the renovation of buildings																
30	Debt securities	3,051															
31	Equity instruments	150															
32	Non-EU counterparties not subject to CSRD reporting requirements	6,734															
33	Loans and advances	5,086															
34	Debt securities	1,018															
35	Equity instruments	629															
36	Derivatives	882															
37	On-demand interbank loans	1,315															
38	Cash and cash equivalents	811															
39	Other asset categories (e.g., goodwill, goods)	21,963															
40	Total assets	241,466															
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	1,561	46	13	4	8	1										
42	Financial assets managed	27,946	1,840	700	643	43	2	6	6			57	298				
43	Of which debt securities	15,609	1,104	447	401	38	1	3	4			44	169				
44	Of which equity instruments	6,667	354	134	131	1		2	1			6	74				

1. Assets for the GAR (flow) - Turnover calculation

Flow: 31.12.2025 Million EUR		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 by environmental objective									Exposures not assessed	Of which financing of counterparties' non-material activities (1)	Of which exposures financing counterparties making the disclosure referred to in Article 7(9)	Of which not assessed, deemed non-material by the credit institution (2)
					Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution prevention and control (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceeds	Of which transitional	Of which enabling				
1	GAR - Assets covered both in the numerator and in the denominator	13,400	5,211	1,014	955		41	13	4			2	169				
2	Loans and advances, debt securities and equity instruments not held for trading eligible for inclusion in the GAR calculation	13,400	5,211	1,014	955		41	13	4			2	169				
3	Financial undertakings	433	30	3	3												
4	Loans and advances	418	28	2	2												
5	Debt securities, including use of proceeds	15	1	1	1												
6	Equity instruments																
7	Non-financial undertakings	5,211	778	384	325		41	13	4			2	169				
8	Loans and advances	5,209	776	384	325		41	13	4			2	169				
9	Debt securities, including commitment of proceeds	2	2														
10	Equity instruments																
11	Households	7,756	4,403	627	627												
12	of which loans secured by residential property	3,886	3,886	627	627												
13	of which loans for the renovation of buildings																
14	of which loans for motor vehicles	518	517														
15	Loans to local public administrations																
16	Residential housing loans																
17	Other loans to local public administrations																
18	Real estate collateral acquired through possession: residential and commercial properties																
19	Exposure included on a voluntary basis (3)																
20	Total GAR assets	13,400															
21	Assets not included in GAR calculation	1,252															
22	Central governments and supranational issuers																
23	Exposures to central banks																
24	Trading portfolio																

25	Undertakings and entities not subject to CSRD	1,252															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure requirements	767															
27	Loans and advances	767															
28	of which loans secured by commercial real estate																
29	of which loans for the renovation of buildings																
30	Debt securities																
31	Equity instruments																
32	Non-EU counterparties not subject to CSRD reporting requirements	485															
33	Loans and advances	485															
34	Debt securities																
35	Equity instruments																
36	Derivatives																
37	On-demand interbank loans																
38	Cash and cash equivalents																
39	Other asset categories (e.g., goodwill, goods)																
40	Total assets	14,652															
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	81															
42	Financial assets managed	173,894	351	75	73			1				6	36				
43	Of which debt securities	173,802	6	1	1												
44	Of which equity instruments	92	23	9	9								6				

1. Assets for the calculation of GAR (flow) – CapEx

Flow: 31.12.2025 Million EUR		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 by environmental objective										Exposures not assessed	Of which financing of counterparties' non-material activities (1)	Of which exposures financing counterparties making the disclosure referred to in Article 7(9)	Of which not assessed, deemed non-material by the credit institution (2)
					Breakdown by environmental objective													
					Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution prevention and control (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceeds	Of which transitional	Of which enabling					
1	GAR - Assets covered both in the numerator and in the denominator	13,400	5,890	1,320	1,288		15	16	1			4	365					
2	Loans and advances, debt securities and equity instruments not held for trading eligible for inclusion in the GAR calculation	13,400	5,890	1,320	1,288		15	16	1			4	365					
	Financial undertakings	433	35	8	8								1					
4	Loans and advances	418	34	8	8													
5	Debt securities, including use of proceeds	15	1	1	1								1					
6	Equity instruments																	
7	Non-financial undertakings	5,211	1,452	685	653		15	16	1			4	365					
8	Loans and advances	5,209	1,450	684	652		15	16	1			4	364					
9	Debt securities, including commitment of proceeds	2	2															
10	Equity instruments																	
11	Households	7,756	4,403	627	627													
12	of which loans secured by residential property	3,886	3,886	627	627													
13	of which loans for the renovation of buildings																	
14	of which loans for motor vehicles	518	517															
15	Loans to local public administrations																	
16	Residential housing loans																	
17	Other loans to local public administrations																	
18	Real estate collateral acquired through possession: residential and commercial properties																	
19	Exposure included on a voluntary basis (3)																	
20	Total GAR assets	13,400																

21	Assets not included in GAR calculation	1,252															
22	Central governments and supranational issuers																
23	Exposures to central banks																
24	Trading portfolio																
25	Undertakings and entities not subject to CSRD	1,252															
26	SMEs and undertakings (other than SMEs) not subject to CSRD disclosure requirements	767															
27	Loans and advances	767															
28	of which loans secured by commercial real estate																
29	of which loans for the renovation of buildings																
30	Debt securities																
31	Equity instruments																
32	Non-EU counterparties not subject to CSRD reporting requirements	485															
33	Loans and advances	485															
34	Debt securities																
35	Equity instruments																
36	Derivatives																
37	On-demand interbank loans																
38	Cash and cash equivalents																
39	Other asset categories (e.g., goodwill, goods)																
40	<u>Total assets</u>	14,652															
Off-balance sheet exposures (stock) to Undertakings subject to CSRD disclosure obligations and local governments																	
41	Financial guarantees	81															
42	Financial assets managed	173,894	247	99	91	6		1				8	42				
43	Of which debt securities	173,802	5	3	3												
44	Of which equity instruments	92	31	20	20								12				

2. GAR sector information of the stock aligned exposures - 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 prevention and control (PPC)	Biodiversity and ecosystems (BIO)
1	H52.21 – Service activities incidental to land transportation.	688	-	-	-	-	-	-	-	-
2	N77.11 – Renting and leasing of cars and light motor vehicles	658	20	2	2	0	-	-	-	-
3	K64.99 – Other financial service activities, except insurance and pension funding n.e.c.	565	-	-	-	-	-	-	-	-
4	C29.10 – Manufacture of motor vehicles	530	285	17	17	-	-	0	-	-
5	L68.20 – Renting and operating of own or leased real estate	498	-	-	-	-	-	-	-	-
6	J61.10 – Wired telecommunications activities	365	1	-	-	-	-	-	-	-
7	J61.90 – Other telecommunications activities	353	-	-	-	-	-	-	-	-
8	K66.19 – Other activities auxiliary to financial services, except insurance and pension funding	343	43	9	9	-	-	-	-	-
9	D35.22 – Distribution of gaseous fuels through mains	341	94	78	75	-	4	0	-	-
10	C28.29 – Manufacture of other general-purpose machinery n.e.c.	340	3	0	0	-	0	0	0	-
11	Nuclear activities	50	4	3						
12	Fossil gas activities	510								
13	of which exposures not subject to assessment									

2. GAR sector information of the stock aligned exposures - 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	H52.21 – Service activities incidental to land transportation.	688.40								
2	N77.11 – Renting and leasing of cars and light motor vehicles	657.77	20.48	2.11	2.10					
3	K64.99 – Other financial service activities, except insurance and pension funding n.e.c.	564.50								
4	C29.10 – Manufacture of motor vehicles	530.35	286.18	79.54	79.54					
5	L68.20 – Renting and operating of own or leased real estate	498.06								
6	J61.10 – Wired telecommunications activities	365.09	11.70	1.36	0.00	1.36				
7	J61.90 – Other telecommunications activities	353.24								
8	K66.19 – Other activities auxiliary to financial services, except insurance and pension funding	343.34	38.11							
9	D35.22 – Distribution of gaseous fuels through mains	341.14	246.26	194.39	192.79	1.04				
10	C28.29 – Manufacture of other general-purpose machinery n.e.c.	340.25	65.84							
11	Nuclear activities	0,								
12	Fossil gas activities	0.0005	15.24	0,						
13	of which exposures not subject to assessment									

3. Total assets for the stock GAR - Turnover calculation

31.12.2025 % (of the corresponding total covered assets in the denominator)		a	b	c	d	e	f	g	h	i	j	k	l	m
		Total [gross] carrying amount	Of which Taxonomy- eligible	Of which Taxonomy- aligned	Breakdown by environmental objective									Exposures not assessed
					Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution prevention and control (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceeds	Of which transitional	Of which enabling	
1	GAR - Assets covered both in the numerator and in the denominator	59.7%	4.0%	3.9%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.7%	6.7%	
2	Loans and advances, debt securities and equity instruments not held for trading eligible for inclusion in the GAR calculation	59.6%	4.0%	3.9%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.7%	6.7%	
3	Financial undertakings	1.7%	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.1%	14.3%	
4	Loans and advances	1.3%	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.1%	14.0%	
5	Debt securities, including use of proceeds	0.4%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	14.9%	
6	Equity instruments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	28.5%	
7	Non-financial undertakings	2.2%	1.1%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.6%	49.4%	
8	Loans and advances	2.1%	1.0%	1.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.6%	49.9%	
9	Debt securities, including commitment of proceeds	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	32.6%	
10	Equity instruments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	80.6%	
11	Households	55.8%	2.7%	2.7%	0.0%		0.0%				0.0%	0.0%	4.8%	
12	of which loans secured by residential property	51.6%	2.7%	2.7%	0.0%		0.0%				0.0%	0.0%	5.2%	
13	of which loans for the renovation of buildings	0.0%	0.0%	0.0%	0.0%		0.0%				0.0%	0.0%		
14	of which loans for motor vehicles	4.2%	0.0%	0.0%							0.0%	0.0%	0.0%	
15	Loans to local public administrations	0.0%	0.0%	0.0%							0.0%	0.0%		
16	Residential housing loans	0.0%	0.0%	0.0%							0.0%	0.0%		
17	Other loans to local public administrations	0.0%	0.0%	0.0%							0.0%	0.0%		
18	Real estate collateral acquired through possession: residential and commercial properties	0.1%	0.0%	0.0%							0.0%	0.0%	0.0%	
19	Exposure included on a voluntary basis (2)													
20	GAR – Total GAR assets	59.7%	4.0%	3.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	6.7%	

3. Total assets for the stock GAR - Capex calculation

31.12.2025 % (of the corresponding total covered assets in the denominator)		a	b	c	d	e	f	g	h	i	j	k	l	m
		Total [gross] carrying amount	Of which Taxonomy-eligible	Of which Taxonomy- aligned	Breakdown by environmental objective									Exposures not assessed
					Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution prevention and control (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceeds	Of which transitional	Of which enabling	
1	GAR - Assets covered both in the numerator and in the denominator	61.3%	4.8%	4.7%	0.0%	0.1%	0.0%	0.0%	0.0%		0.0%	1.1%	7.8%	
2	Loans and advances, debt securities and equity instruments not held for trading eligible for inclusion in the GAR calculation	61.3%	4.8%	4.7%	0.0%	0.1%	0.0%	0.0%	0.0%		0.0%	1.1%	7.8%	
3	Financial undertakings	2.3%	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.1%	12.9%	
4	Loans and advances	1.9%	0.2%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.1%	11.4%	
5	Debt securities, including use of proceeds	0.4%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	19.2%	
6	Equity instruments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	36.3%	
7	Non-financial undertakings	3.2%	1.8%	1.7%	0.0%	0.1%	0.0%	0.0%	0.0%		0.0%	1.0%	57.3%	
8	Loans and advances	3.0%	1.7%	1.6%	0.0%	0.1%	0.0%	0.0%	0.0%		0.0%	1.0%	57.1%	
9	Debt securities, including commitment of proceeds	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	68.8%	
10	Equity instruments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	30.6%	
11	Households	55.8%	2.7%	2.7%	0.0%		0.0%				0.0%	0.0%	4.8%	
12	of which loans secured by residential property	51.6%	2.7%	2.7%	0.0%		0.0%				0.0%	0.0%	5.2%	
13	of which loans for the renovation of buildings	0.0%	0.0%	0.0%	0.0%		0.0%				0.0%	0.0%		
14	of which loans for motor vehicles	4.2%	0.0%	0.0%							0.0%	0.0%	0.0%	
15	Loans to local public administrations	0.0%	0.0%	0.0%							0.0%	0.0%		
16	Residential housing loans	0.0%	0.0%	0.0%							0.0%	0.0%		
17	Other loans to local public administrations	0.0%	0.0%	0.0%							0.0%	0.0%		
18	Real estate collateral acquired through possession: residential and commercial properties	0.1%	0.0%	0.0%							0.0%	0.0%	0.0%	
19	Exposure included on a voluntary basis (2)													
20	GAR – Total GAR assets	61.3%	4.8%	4.7%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	1.1%	7.8%	

4. Total assets for the flow GAR - Turnover (%) calculation

31.12.2025 % (of the corresponding total covered assets in the denominator)		a	b	c	d	e	f	g	h	i	j	k	l	m
		Total [gross] carrying amount	Of which Taxonomy- eligible	Of which Taxonomy- aligned	Breakdown by environmental objective									Exposures not assessed
					Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution prevention and control (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceeds	Of which transitional	Of which enabling	
1	GAR - Assets covered both in the numerator and in the denominator	38.9%	7.6%	7.1%	0.0%	0.3%	0.1%	0.0%	0.0%		0.0%	1.3%	19.5%	
2	Loans and advances, debt securities and equity instruments not held for trading eligible for inclusion in the GAR calculation	38.9%	7.6%	7.1%	0.0%	0.3%	0.1%	0.0%	0.0%		0.0%	1.3%	19.5%	
3	Financial undertakings	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	10.0%	
4	Loans and advances	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	8.2%	
5	Debt securities, including use of proceeds	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	51.5%	
6	Equity instruments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%		
7	Non-financial undertakings	5.8%	2.9%	2.4%	0.0%	0.3%	0.1%	0.0%	0.0%		0.0%	1.3%	49.3%	
8	Loans and advances	5.8%	2.9%	2.4%	0.0%	0.3%	0.1%	0.0%	0.0%		0.0%	1.3%	49.4%	
9	Debt securities, including commitment of proceeds	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	13.1%	
10	Equity instruments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%		
11	Households	32.9%	4.7%	4.7%	0.0%		0.0%				0.0%	0.0%	14.2%	
12	of which loans secured by residential property	29.0%	4.7%	4.7%	0.0%		0.0%				0.0%	0.0%	16.1%	
13	of which loans for the renovation of buildings	0.0%	0.0%	0.0%	0.0%		0.0%				0.0%	0.0%		
14	of which loans for motor vehicles	3.9%	0.0%	0.0%							0.0%	0.0%	0.0%	
15	Loans to local public administrations	0.0%	0.0%	0.0%							0.0%	0.0%		
16	Residential housing loans	0.0%	0.0%	0.0%							0.0%	0.0%		
17	Other loans to local public administrations	0.0%	0.0%	0.0%							0.0%	0.0%		
18	Real estate collateral acquired through possession: residential and commercial properties	0.0%	0.0%	0.0%							0.0%	0.0%		
19	Exposure included on a voluntary basis (2)													
20	GAR – Total GAR assets	38.9%	7.6%	7.1%	0.0%	0.3%	0.1%	0.0%	0.0%	0.0%	0.0%	1.3%	19.5%	

4.Total assets for the flow GAR - Capex (%) calculation

		a	b	c	d	e	f	g	h	i	j	k	l	m
		Total [gross] carrying amount	Of which Taxonomy- eligible	Of which Taxonomy- aligned	Breakdown by environmental objective									Exposures not assessed
					Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution prevention and control (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceeds	Of which transitional	Of which enabling	
31.12.2025 % (of the corresponding total covered assets in the denominator)														
1	GAR - Assets covered both in the numerator and in the denominator	44.0%	9.9%	9.6%	0.0%	0.1%	0.1%	0.0%	0.0%		0.0%	2.7%	22.4%	
2	Loans and advances, debt securities and equity instruments not held for trading eligible for inclusion in the GAR calculation	44.0%	9.9%	9.6%	0.0%	0.1%	0.1%	0.0%	0.0%		0.0%	2.7%	22.4%	
3	Financial undertakings	0.3%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	23.2%	
4	Loans and advances	0.3%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	22.3%	
5	Debt securities, including use of proceeds	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	49.5%	
6	Equity instruments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%		
7	Non-financial undertakings	10.8%	5.1%	4.9%	0.0%	0.1%	0.1%	0.0%	0.0%		0.0%	2.7%	47.2%	
8	Loans and advances	10.8%	5.1%	4.9%	0.0%	0.1%	0.1%	0.0%	0.0%		0.0%	2.7%	47.2%	
9	Debt securities, including commitment of proceeds	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	23.9%	
10	Equity instruments	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		0.0%	0.0%		
11	Households	32.9%	4.7%	4.7%	0.0%		0.0%				0.0%	0.0%	14.2%	
12	of which loans secured by residential property	29.0%	4.7%	4.7%	0.0%		0.0%				0.0%	0.0%	16.1%	
13	of which loans for the renovation of buildings	0.0%	0.0%	0.0%	0.0%		0.0%				0.0%	0.0%		
14	of which loans for motor vehicles	3.9%	0.0%	0.0%							0.0%	0.0%	0.0%	
15	Loans to local public administrations	0.0%	0.0%	0.0%							0.0%	0.0%		
16	Residential housing loans	0.0%	0.0%	0.0%							0.0%	0.0%		
17	Other loans to local public administrations	0.0%	0.0%	0.0%							0.0%	0.0%		
18	Real estate collateral acquired through possession: residential and commercial properties	0.0%	0.0%	0.0%							0.0%	0.0%		
19	Exposure included on a voluntary basis (2)													
20	GAR – Total GAR assets	44.0%	9.9%	9.6%	0.0%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	2.7%	22.4%	

5 Alignment and Eligibility KPIs related to off-balance sheet exposures - Financial Guarantees and Assets Under Management-Capex Stock-Turnover Stock-Capex Flow-Turnover Flow

KPI off-balance-sheet exposures (stock) – Turnover

31.12.2025													
% (of the corresponding total off-balance-sheet assets)		a	b	c	d	e	f	g	h	i	j	k	l
		Taxonomy-eligible	Taxonomy-aligned	Exposures not assessed (4)									
				Breakdown by environmental objective									
				Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution prevention and control (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceeds	Of which transitional	Of which enabling	
1	Financial guarantees (KPI related to financial guarantees)		2%	1%	1%	0%	0%	0%	0%	0%	0%	1%	
2	Assets under management (KPI related to assets under management)		7%	2%	2%	0%	0%	0%	0%	0%	0%	1%	

KPI off-balance-sheet exposures (stock) – CapEx 31.12.2025														
% (of the corresponding total off-balance-sheet assets)		a	b	c	d	e	f	g	h	i	j	k	l	
		Taxonomy-eligible	Taxonomy-aligned										Exposures not assessed (4)	
				Breakdown by environmental objective										
				Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution prevention and control (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceeds	Of which transitional	Of which enabling		
1	Financial guarantees (KPI related to financial guarantees)	3%	1%	0%	0%	0%	0%	0%	0%	0%	0%	0%		
2	Assets under management (KPI related to assets under management)	7%	3%	2%	0%	0%	0%	0%	0%	0%	0%	1%	0%	

KPI off-balance-sheet exposures (flow) – Turnover

31.12.2025												
% (of the corresponding total off-balance-sheet assets)	a	b	c	d	e	f	g	h	i	j	k	l
	Taxonomy-eligible	Taxonomy-aligned	Breakdown by environmental objective									Exposures not assessed (4)
			Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution prevention and control (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceeds	Of which transitional	Of which enabling	
1	Financial guarantees (KPI related to financial guarantees)	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
2	Assets under management (KPI related to assets under management)	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	

KPI off-balance-sheet exposures (flow) – Capex

31.12.2025												
% (of the corresponding total off-balance-sheet assets)	a	b	c	d	e	f	g	h	i	j	k	l
	Taxonomy-eligible	Taxonomy-aligned	Breakdown by environmental objective									Exposures not assessed (4)
			Climate change mitigation (CCM)	Climate change adaptation (CCA)	Water and marine resources (WTR)	Circular economy (CE)	Pollution prevention and control (PPC)	Biodiversity and ecosystems (BIO)	Of which use of proceeds	Of which transitional	Of which enabling	
1	Financial guarantees (KPI related to financial guarantees)	0.3%	0.3%	0.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%
2	Assets under management (KPI related to assets under management)	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0%

TEMPLATE FOR THE KPI OF ASSET MANAGERS

	Disclosure reference date	31/12/25	
	Exposures	%	Million EUR
1	Total AUM	100%	27,711.89
2	Assets covered by the KPI	29%	8,141.50
	% of covered assets	% Turnover - based	% CapEx-based
3	Taxonomy eligible	24.59%	21.98%
4	Nuclear activities(1)	0.68%	0.65%
5	Fossil gas activities(2)	0.80%	0.37%
6	Taxonomy aligned	5.58%	8.14%
7	Undertakings subject to Articles 19a and 29a of Directive 2013/34/EU	5.06%	8.08%
8	of which Non-financial undertakings	4.16%	7.42%
9	of which Financial undertakings	0.90%	0.66%
10	Other covered counterparties and real estate assets	0.52%	0.06%
11	Exposures included on a voluntary basis(3)	0.00%	0.00%
12	Transitional activities	0.51%	0.70%
13	Enabling activities	2.33%	3.43%
14	Nuclear activities(1)	0.68%	0.07%
15	Fossil gas activities(2)	0.14%	0.07%
Taxonomy aligned per objective			
16	Climate Change Mitigation (CCM)	5.35%	7.45%
17	Climate Change Adaptation (CCA)	0.06%	0.51%
18	Water and marine resources (WTR)	0.01%	0.02%
19	Circular economy (CE)	0.10%	0.08%
20	Pollution (PPC)	0.05%	0.07%
21	Biodiversity and Ecosystems (BIO)	0.00%	0.00%
22	Non-assessed exposures		
23	Exposures financing non-assessed non-material activities of counterparties(4)	0.00%	0.00%
24	Non-assessed exposures considered non-material by the reporting entity(5)	0.00%	0.00%
25	Exposures to counterparties reporting in accordance with Article 7(9) of this Regulation(6)	0.00%	0.00%
	Breakdown of covered assets	%	Million EUR
26	Undertakings subject to Articles 19a and 29a of Directive 2013/34/EU	65.39%	5,323.84
27	of which Non-financial undertakings	58.46%	4,759.91
28	of which Financial undertakings	6.93%	563.93
29	Other covered counterparties and real estate assets	34.61%	2,817.66
30	Exposures included on a voluntary basis(3)	0.00%	0

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CONSOLIDATED FINANCIAL STATEMENTS

Consolidated balance sheet

Assets	31 12 2025	31 12 2024
10. Cash and cash equivalents	14,632,041	13,249,398
20. Financial assets measured at fair value through profit or loss	26,355,179	6,532,829
a) financial assets held for trading	23,751,707	6,076,580
b) financial assets designated at fair value	1,506,408	-
c) other financial assets mandatorily measured at fair value	1,097,064	456,249
30. Financial assets measured at fair value through other comprehensive income	6,966,115	2,337,364
40. Financial assets measured at amortised cost	167,790,782	90,525,940
a) Loans to banks	9,215,826	3,365,869
b) Loans to customers	158,574,956	87,160,071
50. Hedging derivatives	882,187	94,215
60. Change in value of macro-hedged financial assets (+/-)	(1,013,617)	(411,547)
70. Equity investments	7,829,009	672,284
90. Property, plant and equipment	3,240,468	2,109,077
100. Intangible assets	3,336,130	156,066
- of which goodwill	2,961,256	7,900
110. Tax assets	4,355,414	2,536,890
a) current	267,434	104,272
b) deferred	4,087,980	2,432,618
120. Non-current assets held for sale and disposal groups	1,202,010	1,128,665
130. Other assets	6,064,793	3,670,569
Total assets	241,640,511	122,601,750

continues: Consolidated balance sheet

Total Liabilities and Shareholders' Equity		31 12 2025	31 12 2024
10.	Financial liabilities measured at amortised cost	186,034,457	102,751,412
	a) due to banks	26,282,409	9,811,321
	b) due to customers	120,257,933	82,632,195
	c) debts securities issued	39,494,115	10,307,896
20.	Financial liabilities held for trading	11,245,657	2,605,745
30.	Financial liabilities designated at fair value	5,682,471	119,670
40.	Hedging derivatives	852,204	358,391
50.	Change in value of macro-hedged financial liabilities (+/-)	(9,819)	(692)
60.	Tax liabilities	1,165,269	5,616
	a) current	218,091	1,275
	b) deferred	947,178	4,341
70.	Liabilities associated with non-current assets held for sale and discontinued operations	975,943	976,699
80.	Other liabilities	4,309,893	3,131,958
90.	Provision for employees severance pay	85,749	69,739
100.	Provision for risks and charges:	1,008,632	933,928
	a) financial guarantees and other commitments	166,713	149,639
	b) post-employment benefits	3,173	3,255
	c) other provisions	838,746	781,034
110.	Insurance liabilities	80,379	-
	a) issued insurance contracts that are liabilities	80,379	-
	b) reinsurance contracts held that are liabilities	-	-
120.	Valuation reserves	58,811	60,449
150.	Reserves	4,063,677	2,184,265
160.	Share premium reserve	3,146,576	-
170.	Share capital	17,978,187	7,453,451
180.	Treasury shares (-)	(1,757)	-
190.	Non-controlling interests (+/-)	2,248,475	336
200.	Profit (loss) (+/-)	2,715,707	1,950,783
Total Liabilities and Shareholders' Equity		241,640,511	122,601,750

Consolidated income statement

Items	31 12 2025	31 12 2024
10. Interest income and similar revenues	4,629,447	4,677,948
<i>of which interest income calculated applying the effective interest rate method</i>	4,013,520	3,844,940
20. Interest expense and similar charges	(2,084,135)	(2,357,199)
30. Net interest income	2,545,312	2,320,749
40. Fee and commission income	2,090,257	1,688,468
50. Fee and commission expense	(313,974)	(233,431)
60. Net fee and commission income	1,776,283	1,455,037
70. Dividends and similar income	38,259	22,723
80. Net profit (loss) from trading	83,374	127,877
90. Net profit (loss) from hedging	8,313	(1,041)
100. Gains/(losses) on disposal/repurchase of:	93,538	(8,572)
a) financial assets measured at amortised cost	88,577	(7,677)
b) Financial assets measured at fair value through other comprehensive income	4,615	(270)
c) financial liabilities	346	(625)
110. Net profit (loss) from financial assets and liabilities measured at fair value through profit or loss	(106,357)	(9,829)
a) financial assets and liabilities designated at fair value	(77,137)	1,521
b) other financial assets mandatorily measured at fair value	(29,220)	(11,350)
120. Net interest and other banking income	4,438,722	3,906,944
130. Net impairment (losses)/reversals for credit riskon	(819,357)	(406,883)
a) financial assets measured at amortised cost	(817,737)	(406,220)
b) financial assets measured at fair value through other comprehensive income	(1,620)	(663)
140. Modification gains/(losses)	(4,617)	(9,976)
150. Net income from banking activities	3,614,748	3,490,085
160. Insurance service result	4,806	-
a) insurance revenues from insurance contracts issued	6,924	-
b) insurance service costs from insurance contracts issued	2,118	-
c) insurance revenues from reinsurance contracts held	-	-
d) insurance service costs from reinsurance contracts held	-	-
170. Insurance finance net revenues/costs	18	-
a) insurance finance net revenues/costs arising from insurance contracts issued	18	-
b) insurance finance net revenues/costs arising from reinsurance contracts held	-	-
180. Net income from banking and insurance activities	3,619,572	3,490,085
190. Administrative expenses:	(2,525,594)	(2,073,227)
a) personnel expenses	(1,555,115)	(1,247,607)
b) other administrative expenses	(970,479)	(825,620)
200. Net provision for risks and charges:	(17,419)	(63,761)
a) commitments and guarantees issued	1,889	3,876
b) other net provisions	(19,308)	(67,637)
210. Net adjustments to/recoveries on property, plant and equipment	(111,978)	(101,502)
220. Net adjustments to/recoveries on intangible assets	(74,839)	(67,847)
230. Other operating expenses/income	489,004	231,254
240. Operating expenses	(2,240,826)	(2,075,083)
250. Gains (losses) on investments	227,890	74,229
260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	(23,725)	(27,355)
270. Goodwill impairment	-	-
280. Gains (losses) on disposal of investments	5,102	2,668
290. Profit (loss) before tax from continuing operations	1,588,013	1,464,544
300. Tax (expense)/recovery on income from continuing operations	1,123,541	508,100
310. Profit (loss) after tax from continuing operations	2,711,554	1,972,644
320. PProfit (loss) after tax from discontinued operations	(224)	(22,021)
330. Profit (loss) for the year	2,711,330	1,950,623
340. Net Profit (loss) attributable to non-controlling interests	(4,377)	(160)
350. Parent company's net profit (loss) for the year	2,715,707	1,950,783

	31 12 2025	31 12 2024
Basic Earnings per Share (Basic EPS)	1.537	1.549
<i>of continuing operations</i>	1.537	1.566
<i>of groups of assets held for sale and discontinued operations</i>	(0.000)	(0.017)
Diluted Earnings per Share (Diluted EPS)	1.537	1.549
<i>of continuing operations</i>	1.537	1.566
<i>of groups of assets held for sale and discontinued operations</i>	(0.000)	(0.017)

Consolidated statement of comprehensive income

Items	31 12 2025	31 12 2024
10. Profit (loss) for the year	2,711,330	1,950,623
Other comprehensive income after tax not recycled to profit or loss	(26,305)	(1,028)
20. Equity instruments designated at fair value through other comprehensive income	(8,613)	(56)
30. Financial liabilities designated at fair value through profit or loss (change in the entity's own credit risk)	(8,553)	(3,445)
40. Hedges for equity instruments measured at fair value through other comprehensive income	-	-
50. Property, plant and equipment	(1,601)	(10,558)
60. Intangible assets	-	-
70. Defined benefit plans	1,624	485
80. Non current assets held for sale	(5,570)	7,979
90. Share of valuation reserves of equity-accounted investments	(3,592)	4,567
100. Hedges on foreign investments	-	-
Other comprehensive income after tax recycled to profit or loss	27,341	33,519
110. Hedges on foreign investments	-	-
120. Exchange differences	(2,438)	1,411
130. Cash flow hedges	(4,853)	11,355
140. Hedging instruments (not designated elements)	-	-
150. Financial assets (other than equity securities) measured at fair value through other comprehensive income	29,165	30,224
160. Non-current assets held for sale and disposal groups	-	-
170. Share of valuation reserves of equity-accounted investments	5,467	(9,471)
180. Insurance finance revenue or costs arising from insurance contracts issued	-	-
190. Insurance finance revenue or costs arising from reinsurance contracts held	-	-
2 00. Total other comprehensive income after tax	1,036	32,491
210. Total comprehensive income (Item 10+2000)	2,712,366	1,983,114
220. Consolidated comprehensive income attributable to non-controlling interests	(1,703)	(188)
230. Consolidated comprehensive income attributable to Parent Company	2,714,069	1,983,302

Consolidated statement of changes in equity – 2025

	Balance as at 31 12 2024	Change in opening balances	Balance as at 01 01 2025	Allocation of profit/(loss) previous year		Changes in the year								Statement of Comprehensive Income as at 31 12 2025	Total shareholders' equity at 31 12 2025	Group shareholders' equity as at 31 12 2025	Equity attributable to non-controlling interests at 31 12 2025
				Reserves	Dividends and other destinations	Changes in reserve	Equity transactions						Changes in equity interests				
							Issue of new shares	Purchase of treasury shares	Extraordinary dividend distribution	Change in equity instruments	Derivatives on own shares	Stock options					
Share Capital:	7,454,033	-	7,454,033	-	-	-	10,524,736	-	-	-	-	-	57,497	-	18,036,266	17,978,187	58,079
a) ordinary shares	7,454,033	-	7,454,033	-	-	-	10,524,736	-	-	-	-	-	57,497	-	18,036,266	17,978,187	58,079
b) other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share premium reserve	2	-	2	-	-	-	3,146,576	-	-	-	-	-	228,387	-	3,374,965	3,146,576	228,389
Reserves:	2,182,943	-	2,182,943	867,185	-	(193,564)	1,137,655	-	-	-	-	-	2,031,935	-	6,026,154	4,063,677	1,962,477
a) of profits	2,186,177	-	2,186,177	867,185	-	(45,399)	-	-	-	-	-	-	2,031,935	-	5,039,898	3,077,421	1,962,477
b) others	(3,234)	-	(3,234)	-	-	(148,165)	1,137,655	-	-	-	-	-	-	-	986,256	986,256	-
Valuation reserves	61,681	-	61,681	-	-	-	-	-	-	-	-	-	-	1,036	62,717	58,810	3,907
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	(1,757)	-	-	-	-	-	-	(1,757)	(1,757)	-
Profit (Loss) for the year	1,950,623	-	1,950,623	(867,185)	(1,083,438)	-	-	-	-	-	-	-	-	2,711,330	2,711,330	2,715,707	(4,377)
Total Shareholders' equity	11,649,282	-	11,649,282	-	(1,083,438)	(193,564)	14,808,967	(1,757)	-	-	-	-	2,317,819	2,712,366	30,209,675	27,961,199	2,248,476
Group shareholders' equity	11,648,946	-	11,648,946	-	(1,083,333)	(125,692)	14,808,967	(1,757)	-	-	-	-	-	2,714,069	27,961,199	27,961,199	X
Equity attributable to non-controlling interests	336	-	336	-	(105)	(67,872)	-	-	-	-	-	-	2,317,819	(1,703)	2,248,476	X	2,248,475

As at 31 December 2025, the Group's net equity, including non-controlling interests and net profit (loss) for the year, amounted to EUR 30,209.7 mln, compared to EUR 11,649.9 mln as at 31 December 2024, with an overall net increase of EUR 18,560.4 mln.

The increase is attributable, in addition to the combined effect of the payment of the dividend relating to the 2024 financial year, made in May, and the profit achieved, equal to EUR 2,711.3 mln, to the effects of the overall acquisition of the Mediobanca Group, which led to the recognition of (i) an amount of EUR 14,808.9 mln (net of ancillary costs and related tax effects) relating to the capital increase in support of the OPAS, of which: EUR 10,524.7 bn was allocated to share capital, EUR 3,146.6 bn to the share premium reserve and EUR 1,137.6 bn to other reserves, and (ii) EUR 2,317.8 bn relating to the recognition of minority interests.

The item "Reserves – other" includes the extraordinary contribution, amounting to EUR 148.2 mln, for the tax redemption of the locked reserve, as permitted by the transitional provisions set out in Law 199/2025 (art. 1, paragraphs 69 to 73).

Consolidated statement of changes in equity – 2024

	Balance as at 31 12 2023	Change in opening balances	Balance as at 01 2024	Allocation of profit/(loss) previous year		Changes in the year										Statement of Comprehensive Income as at 31 12 2024	Total shareholders' equity at 31 12 2024	Group shareholders' equity as at 31 12 2024	Equity attributable to non-controlling interests at 31 12 2024
				Reserves	Dividends and other destinations	Changes in reserve	Issue of new shares	Purchase of treasury shares	Extraordinary dividend distribution	Change in equity instruments	Derivatives on own shares	Stock options	Changes in equity interests						
Share Capital:	7,454,052	-	7,454,052	-	-	-	-	-	-	-	-	-	(19)	-	7,454,033	7,453,451	582		
a) ordinary shares	7,454,052	-	7,454,052	-	-	-	-	-	-	-	-	-	(19)	-	7,454,033	7,453,451	582		
b) other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Share premium reserve	2	-	2	-	-	-	-	-	-	-	-	-	-	-	2	-	2		
Reserves:	444,240	-	444,240	1,736,594	-	2,109	-	-	-	-	-	-	-	-	2,182,943	2,184,265	(1,322)		
a) of profits	576,328	-	576,328	1,608,594	-	1,255	-	-	-	-	-	-	-	-	2,186,177	2,187,499	(1,322)		
b) others	(132,088)	-	(132,088)	128,000	-	854	-	-	-	-	-	-	-	-	(3,234)	(3,234)	-		
Valuation reserves	29,190	-	29,190	-	-	-	-	-	-	-	-	-	-	32,491	61,681	60,448	1,233		
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Profit (Loss) for the year	2,051,625	-	2,051,625	(1,736,594)	(315,031)	-	-	-	-	-	-	-	-	1,950,623	1,950,623	1,950,783	(160)		
Total Shareholders' equity	9,979,109	-	9,979,109	-	(315,031)	2,109	-	-	-	-	-	-	(19)	1,983,114	11,649,282	11,648,946	336		
Group shareholders' equity	9,978,458	-	9,978,458	-	(314,923)	2,109	-	-	-	-	-	-	-	1,983,302	11,648,946	11,648,946	X		
Equity attributable to non-controlling interests	651	-	651	-	(108)	-	-	-	-	-	-	-	(19)	(188)	336	X	336		

As at 31 December 2024, the Group's net equity, including non-controlling interests and net profit (loss) for the year, amounted to EUR 11,649.3 mln, compared to EUR 9,979.1 mln as at 31 December 2023, with an overall net increase of EUR 1,670.2 mln. This trend is mainly due to: (i) the profit for the year of EUR 1,950.6 mln, and (ii) the net positive change in valuation reserves of EUR 32.5 mln, the details of which are shown in the statement of comprehensive income to which we refer.

Consolidated cash flow statement - indirect method

A. OPERATING ACTIVITIES	31 12 2025	31 12 2024
1. Cash flow from operations	2,603,058	2,016,467
Profit (loss) (+/-) for the year	2,711,330	1,950,623
Capital gains/losses on financial assets held for trading and on assets/liabilities designated at fair value (+/-)	190,066	(139,853)
Net gains (losses) on hedging activities	(8,313)	1,041
Net impairment losses/reversals	979,641	557,933
Net adjustments/recoveries on property, plant and equipment and intangible assets (+/-)	210,543	196,705
Net provisions for risks and charges and other costs/revenues (+/-)	29,998	74,516
Net revenues and expenses of insurance contracts issued and reinsurance contracts held (+/-)	-	-
Unpaid charges, taxes and tax credit	(1,123,541)	(508,100)
net adjustments to/recoveries on discontinued operations, after tax (+/-)	232	6,526
Other adjustments	(386,898)	(122,924)
2. Cash flow from (used in) financial assets	(6,249,329)	(989,765)
Financial assets held for trading	(2,115,099)	(44,459)
Financial assets designated at fair value	54,230	-
Other financial assets mandatorily measured at fair value	9,216	(99,853)
Financial assets measured at fair value through other comprehensive income	456,059	125,567
Financial assets measured at amortised cost	(4,969,232)	(822,051)
Other assets	315,497	(148,969)
3. Cash flow from (used in) financial liabilities	5,384,508	(1,818,701)
Financial liabilities measured at amortised cost	6,974,719	(1,450,404)
Financial liabilities held for trading	(276,544)	(247,611)
Financial liabilities designated at fair value	420,316	4,736
Other liabilities	(1,733,983)	(125,422)
4. Liquidity generated/absorbed by Insurance contracts issued and by reinsurance contracts held	(404)	-
Insurance contracts issued that are liabilities/assets (+/-)	(404)	-
Reinsurance contracts held that are assets/liabilities (+/-)	-	-
Net cash flow from (used in) operating activities	1,737,833	(791,999)

B. INVESTMENT ACTIVITIES	31 12 2025	31 12 2024
1. Cash flow from	73,965	107,575
Sales of equity investments	-	-
Dividends collected on equity investments	32,758	35,483
Sales of property, plant and equipment	41,207	72,092
Sales of intangible assets	-	-
Sales of subsidiaries and business units	-	-
2. Cash flow used in	750,694	(68,424)
Purchase of equity investments	-	-
Purchase of property, plant and equipment	(40,897)	(30,772)
Purchase of intangible assets	(76,012)	(37,652)
Purchase of subsidiaries and undertakings	867,603	-
Net cash flow from (used in) investment activities	824,659	39,151
C. FUNDING ACTIVITIES		
Issue/purchase of treasury shares	(96,411)	-
Issue/purchase of equity instruments carried at equity	-	-
Dividend distribution and other	(1,083,438)	(315,031)
Net cash flow from (used in) funding activities	(1,179,849)	(315,031)
NET CASH FLOW FROM (USED IN) OPERATING, INVESTMENT AND FUNDING ACTIVITIES DURING THE YEAR	1,382,643	(1,067,879)

Reconciliation

Accounts	31 12 2025	31 12 2024
Cash and cash equivalents at beginning of the year	13,249,398	14,317,277
Net increase (decrease) in cash and cash equivalents	1,382,643	(1,067,879)
Cash and cash equivalents at end of the year	14,632,041	13,249,398

The information required by IAS 7 paragraph 44 A and B is shown below.

items	31 12 2024	Liabilities associated with non-current assets held for sale and discontinued operations	Cash flows	Non monetary changes			31 12 2025	
				Fair value changes	Business combination's effects	Others	Liabilities items 10, 20, 30	Liabilities associated with non-current assets held for sale and discontinued operations
10. Financial liabilities measured at amortised cost	102,751,412	912,736	6,974,719	-	76,362,366	(60,109)	186,034,457	906,667
20. Financial liabilities held for trading	2,605,745		(276,544)	(432)	8,917,354		11,246,123	
30. Financial liabilities designated at fair value	119,670		420,316	29,798	5,112,687		5,682,471	
Total	105,476,827	912,736	7,118,491	29,366	90,392,407	(60,109)	202,963,051	906,667

Notes to the Consolidated Financial Statements

Part A – Accounting policies

A.1 – General

Section 1 - Statement of compliance with international accounting standards

Pursuant to Italian Legislative Decree no. 38 of 28 February 2005, these consolidated financial statements were prepared in accordance with the international accounting standards issued by the International Accounting Standards Board (IASB) including interpretations by the IFRS Interpretations Committee, as endorsed by the European Commission, pursuant to EC Regulation no. 1606 of 19 July 2002 which was effective as at 31 December 2025.

The application of the international accounting standards was carried out by also referring to the “Systematic Framework for the preparation and presentation of financial statements” (Conceptual Framework), the Implementation Guidance and Basis for Conclusions documents and any other documents prepared by the IASB or IFRIC to complete the accounting standards issued.

For an overview of the accounting standards and related interpretations endorsed by the European Commission, whose application is scheduled for 2025 (or future financial periods), please refer to “Section 5 - Other Aspects” below, which also describes the main impacts for the Group.

Communications of the Supervisory Bodies were also taken into account to the extent applicable (Bank of Italy, ECB, Consob and ESMA) and the interpretative documents on the application of IAS/IFRS prepared by the Organismo Italiano di Contabilità (OIC) [Italian Accounting Body], and the Associazione Bancaria Italiana (ABI) [Italian Banking Association], which provide recommendations on the information to be provided in the Financial Report, on certain aspects of greater importance in the accounting field, or on the accounting treatment of particular transactions on the uncertainties of the macroeconomic scenario, as well as on the impacts related climate risks.

Section 2 - General accounting standards

The Consolidated Financial Statements consist of the balance sheet, income statement, statement of comprehensive income, statement of changes in equity, the cash flow statement and the notes to the financial statements, and are accompanied by the directors' report on operations, financial results achieved, and the Group's equity and financial situation.

The Consolidated Financial Statements as at 31 December 2025 have been prepared based on the provisions contained in Circular no. 262 of 22 December 2005 issued by the Bank of Italy "Bank financial statements: layout and rules for compilation", as amended by the eighth update of 17 November 2022.

The Group has also considered the communication of the Bank of Italy of 14 March 2023 "Update of the provisions of Circular no. 262 - Bank financial statements: layout and rules for preparation" regarding the impacts of COVID-19 and measures to support the economy", which requests, in free format, financial statement disclosure on the loans subject to public guarantee.

The Financial Statements have been prepared based on a going concern assumption, according to the generally accepted principles of accrual accounting, relevance and materiality of information, priority of substance over form and with a view to encouraging consistency with future statements.

The consolidated financial statements are prepared with transparency and provide a true and fair view of the financial position and result of operations for the year of Banca MPS and its subsidiaries, as detailed in Section 3 "Scope and Methods of Consolidation" below.

If the information required by international accounting standards and provisions contained in the aforementioned circular were deemed insufficient for providing a true and fair representation, the Notes to the Financial Statements contain supplemental information necessary for that purpose.

If – in exceptional cases – the application of a provision set forth in the international accounting standards proved to be incompatible with a true and fair view of the Group's financial position and result of operations, then such provision would not be applied. The reasons for any deviation and its impact on the representation of the financial position and result of operations would, in such a case, be explained in the notes to the financial statements.

Each item in the balance sheet, income statement and statement of comprehensive income also indicates the amount for the prior financial year, unless an accounting standard or interpretation allows or provides otherwise. With reference to the inclusion of the Mediobanca Group in the scope of consolidation as from 30 September 2025, it should be noted that, in line with the provisions of Bank of Italy Circular 262, the balance sheet, income statement and statement of comprehensive Income figures, as well as the tables in the Notes to the financial statements relating to the comparative period, have not been restated to include the amounts relating to the Mediobanca Group and are therefore not immediately comparable.

The financial statements provide, in addition to the accounting data as at 31 December 2025, the comparative information relating to the last financial statements approved as at 31 December 2024.

Assets and liabilities, expenses and income cannot be mutually offset, unless this is permitted or required by the international accounting standards or the provisions set forth in Circular no. 262 of the Bank of Italy.

The balance sheet, income statement, and statement of comprehensive income do not include items which did not have balances for the reference financial year or prior financial year. If an item of the assets or liabilities is part of several items of the balance sheet, the notes to the financial statements indicate – whenever this is necessary for the purpose of intelligibility – that this component may also be referred to items other than the one it is posted to.

Revenue is posted with no sign in the income statement, statement of comprehensive income, and the respective section of the notes, whereas expenses are indicated in brackets.

The statement of comprehensive income, beginning with profit (loss) for the year, shows the income items recognised as contra-entries of valuation reserves, net of the related tax effect, in compliance with international accounting standards. Consolidated other comprehensive income is shown by separating income items that will not be transferred to the income statement in the future and those that may be subsequently reclassified to profit or loss for the year when specific conditions are met.

The statement of changes in equity shows the breakdown and changes in shareholders' equity accounts during the financial year and the previous financial year, broken down between share capital (ordinary shares), capital reserves, profit reserves and reserves from the valuation of assets or liabilities, equity instruments and profit or loss. Treasury shares in the portfolio are deducted from equity.

The cash flow statement has been prepared according to the indirect method, based on which cash flows from operations are represented by the net profit (loss) for the year adjusted to take into account the effects of non-monetary transactions. Cash flows are broken down amongst those deriving from operations, those deriving from investment activities and those generated by funding activities. In the statement, cash flows generated during the financial year have no sign, while those absorbed are shown between brackets.

In compliance with the provisions of Article 5 of Legislative Decree no. 38 of 28 February 2005, the financial statements have been prepared using the Euro as the reporting currency: The financial statements and the notes to the financial statements are drawn up in thousands of EUR.

Items of a different nature or with different allocation were recognised separately, unless they were considered irrelevant. All amounts shown in the financial statements were adjusted so as to reflect any events subsequent to the reporting date for which an adjustment is mandatory, according to IAS 10 (adjusting events). Non-adjusting events reflecting circumstances that occurred after the reporting date (non adjusting events) are disclosed as part of the notes to the financial statements, Part A, Section 4, if they are material and may affect the ability of users to make proper evaluations and decisions.

As illustrated in the consolidated financial statements as at 31 December 2024, as from 30 June 2024 the subsidiary Monte Paschi Banque S.A. has been classified as a reporting unit being disposed of ("discontinued operations"), pursuant to IFRS 5. Specifically, in the balance sheet as at 31 December 2025, the subsidiary's assets and related liabilities are presented, respectively, under the consolidated statement of financial position line items "Non-current assets and disposal groups held for sale" for a total of EUR 1,056.8 mln (EUR 1,054.9 mln as at 31 December 2024) and "Liabilities associated with disposal groups held for sale" for a total of EUR 975.9 mln (EUR 976.7 mln as at 31 December 2024). With reference to the income statement, the subsidiary's contribution is reported under line item 320 of the income statement, "Profit (Loss) from discontinued operations net of tax". From a measurement standpoint, application of the measurement criteria set out in IFRS 5 had, on the Group's book shareholders' equity and on its profit or loss as at 31 December 2025, a negative impact of approximately EUR 43.1 mln (of which EUR 36.4 mln recognised in the 2024 financial year) and approximately EUR 6.7 mln, respectively. In addition, it should be noted that the subsidiary made a positive contribution to the consolidated result as at 31 December 2025 of approximately EUR 6.5 mln; consequently, the balance of income statement line item 320 is substantially nil, and the contribution to consolidated shareholders' equity as at 31 December 2025 is negative by approximately EUR 22.0 mln, unchanged from 31 December 2024, also taking into account the profit recorded by Monte Paschi Banque S.A. as at that date of EUR 14.4 mln.

For completeness, line item "Non-current assets held for sale and disposal groups" as at 31 December 2025 also includes: i) portfolios of non-performing loans (NPL) with total gross exposure of EUR 229.4 mln, corresponding to total net exposure of EUR 102.8 mln; ii) real estate assets totalling EUR 42.4 mln.

Going concern

These Financial Statements were prepared under the going concern assumption.

After assessment of the evolution of the equity and liquidity positions, with regard to the indications provided in Document no. 2 of 6 February 2009 and Document no. 4 of 3 March 2010, issued jointly by the Bank of Italy, Consob and ISVAP, and subsequent amendments, the Directors can reasonably expect that the Group will continue operating as a going concern in the foreseeable future and therefore consider it appropriate to use the going concern assumption in the preparation of these financial statements.

Section 3 – Scope and methods of consolidation

1. Equity investments in wholly-owned subsidiaries

The equity investments in wholly-owned subsidiaries are listed in the table below. For information on equity investments in companies jointly controlled or subject to significant influence by the Group, please refer to the contents of Part B - Information on the consolidated balance sheet - Section 7 - Equity investments, in these Notes to the Financial Statements.

	Name	Headquarters	Registered Office	Type of relationship (*)	Ownership Relationship		Available votes % (**)
					Held by	Shareholding %	
A	Companies						
A.0	BANCA MONTE DEI PASCHI DI SIENA S.p.a.	Siena	Siena				
	A.1 Companies consolidated on a line-by-line basis						
A.1	MONTE PASCHI FIDUCIARIA S.p.a.	Siena	Siena	1	A.0	100.00	
A.2	WISE DIALOG BANK S.p.a. - WIDIBA	Milan	Milan	1	A.0	100.00	
A.3	MPS TENIMENTI POGGIO BONELLI E CHIGI SARACINI SOCIETA' AGRICOLA S.p.a.	Castelnuovo Berardenga (SI)	Castelnuovo Berardenga (SI)	1	A.0	100.00	
A.4	G.IMM ASTOR S.r.l.	Lecce	Lecce	1	A.0	52.00	
A.5	MAGAZZINI GENERALI FIDUCIARI DI MANTOVA S.p.a.	Mantua	Mantua	1	A.0	100.00	
A.6	MONTE PASCHI BANQUE S.A. (**)	Paris	Paris	1	A.0	100.00	
A.6.1	MONTE PASCHI CONSEIL FRANCE SOCIETE PAR ACTIONS SEMPLIFIEE	Paris	Paris	1	A.6	100.00	
A.6.2	IMMOBILIERE VICTOR HUGO S.C.I.	Paris	Paris	1	A.6	100.00	
A.7	MPS COVERED BOND S.r.l.	Conegliano	Conegliano	1	A.0	90.00	
A.8	MPS COVERED BOND 2 S.r.l.	Conegliano	Conegliano	1	A.0	90.00	
A.9	CIRENE FINANCE S.r.l.	Conegliano	Conegliano	1	A.0	60.00	
A.10	SIENA MORTGAGES 07-5 S.p.a.	Conegliano	Conegliano	4	A.0	7.00	
A.11	SIENA PMI 2016 S.r.l.	Conegliano	Conegliano	4	A.0	10.00	
A.12	MEDIOBANCA - BANCA DI CREDITO FINANZIARIO S.p.a.	Milan	Milan	1	A.0	86.35	87.07 ⁽⁵⁾
A.12.1	SPAFID S.p.a.	Milan	Milan	1	A.12	100.00	
A.12.2	MEDIOBANCA INNOVATION SERVICES - S.c.p.a	Milan	Milan	1	A.12	100.00	
A.12.3	CMB MONACO S.A.M.	Montecarlo	Montecarlo	1	A.12	100.00	
A.12.4	CMG MONACO S.A.M.	Montecarlo	Montecarlo	1	A.12.3	100.00	
A.12.5	MEDIOBANCA INTERNATIONAL (LUXEMBOURG) S.A.	Luxembourg	Luxembourg	1	A.12	99.00	
				1	A.12.6	1.00	
A.12.6	COMPASS BANCA S.p.a.	Milan	Milan	1	A.12	100.00	
A.12.7	MEDIOBANCA PREMIER S.p.a.	Milan	Milan	1	A.12	100.00	
A.12.8	MB CREDIT SOLUTIONS S.p.a.	Milan	Milan	1	A.12.6	100.00	
A.12.9	SELMABIPIEMME LEASING S.p.a.	Milan	Milan	1	A.12	100.00	
A.12.10	MB FUNDING LUXEMBOURG S.A.	Luxembourg	Luxembourg	1	A.12	100.00	
A.12.11	MEDIOBANCA SECURITIES USA LLC	New York	Delaware	1	A.12	100.00	
A.12.12	MB FACTA S.p.a.	Milan	Milan	1	A.12	100.00	
A.12.13	QUARZO S.r.l.	Milan	Milan	1	A.12.6	90.00	
A.12.14	MEDIOBANCA COVERED BOND S.r.l.	Milan	Milan	1	A.12.7	90.00	
A.12.15	COMPASS RE (LUXEMBOURG) S.A.	Luxembourg	Luxembourg	1	A.12.6	100.00	
A.12.16	MEDIOBANCA INTERNATIONAL IMMOBILIERE S. A R.L.	Luxembourg	Luxembourg	1	A.12.5	100.00	
A.12.17	POLUS CAPITAL MANAGEMENT GROUP LIMITED	London	London	1	A.12	89.07 ⁽⁷⁾	65.78
A.12.18	POLUS CAPITAL MANAGEMENT LIMITED	London	London	1	A.12.17	100.00	
A.12.19	POLUS CAPITAL MANAGEMENT (US) INC.	Delaware	Delaware	1	A.12.17	100.00	
A.12.20	POLUS CAPITAL MANAGEMENT INVESTMENTS LIMITED (non-operating)	London	London	1	A.12.17	100.00	
A.12.21	POLUS INVESTMENT MANAGERS LIMITED (non-operating)	London	London	1	A.12.17	100.00	
A.12.22	BYBROOK CAPITAL BURTON PARTNERSHIP (GP) LIMITED	Grand Cayman	Grand Cayman	1	A.12.17	100.00	
A.12.23	SPAFID TRUST S.r.l.	Milan	Milan	1	A.12.1	100.00	
A.12.24	MEDIOBANCA MANAGEMENT COMPANY S.A.	Luxembourg	Luxembourg	1	A.12	100.00	
A.12.25	MEDIOBANCA SGR S.p.a.	Milan	Milan	1	A.12	100.00	
A.12.26	RAM ACTIVE INVESTMENTS S.A.	Geneva	Geneva	1	A.12	98,3 ⁽²⁾	93.50
A.12.27	MESSIER ET ASSOCIES S.A.S.	Parigi	Parigi	1	A.12	100,00 ⁽³⁾	88.40
A.12.28	MESSIER ET ASSOCIES L.L.C.	New York	New York	1	A.12.27	100,00 ⁽³⁾	50.00
A.12.29	MBCONTACT SOLUTIONS S.r.l.	Milan	Milan	1	A.12.8	100.00	
A.12.30	COMPASS RENT S.r.l.	Milan	Milan	1	A.12.6	100.00	
A.12.31	COMPASS LINK S.r.l.	Milan	Milan	1	A.12.6	100.00	
A.12.32	CMB REAL ESTATE DEVELOPMENT S.A.M.	Montecarlo	Montecarlo	1	A.12.3	60.00	
				1	A.12	40.00	
A.12.33	ARMA PARTNERS LLP	London	London	1	A.12	100.00	
A.12.34	ARMA PARTNERS CORPORATE FINANCE LTD	London	London	1	A.12.33	100.00	
A.12.35	ARMA DEUTSCHLAND GmbH	Monaco	Monaco	1	A.12.33	100.00	
A.12.36	HEYLIGHT SA	Geneva	Geneva	1	A.12.6	100.00	
A.12.37	SPV PROJECT 2224 S.r.l.	Milan	Milan	4	A.12	-	
A.12.38	HEIDI PAY AG	Geneva	Geneva	1	A.12.6	100,00 ⁽⁴⁾	80.90
A.12.39	HEIDI PAY LTD	London	London	1	A.12.38	100,00 ⁽⁴⁾	99.96
A.12.40	HOLIPAY S.r.l.	Cervia	Cervia	1	A.12.39	100,00 ⁽⁴⁾	

(*) Type of relationship:

- 1 = majority of voting rights at ordinary shareholders' meetings
- 2 = dominant influence at ordinary shareholders' meetings
- 3 = agreements with other shareholders
- 4 = other forms of control
- 5 = unified management under art. 39.1 of Legislative Decree 136/2015
- 6 = unified management under art. 39, paragraph 2, of Legislative Decree 136/2015.

(**) Votes available in the ordinary shareholders' meeting, distinguishing between actual and potential.

(***) the investee MPS Banque S.A. is classified as a discontinued operation pursuant to IFRS 5.

(¹) Taking into account the put & call option exercisable over the next 3 years; excluding employee investment plans and strategic plans.

(²) Taking into account the put & call options exercisable from the 3rd to the 10th year following the date on which the transaction is entered into.

(³) Taking into account the put & call options exercisable within the next financial year;

(⁴) Taking into account the put & call option exercisable by October 2030.

(⁵) Taking into account the treasury shares held by the subsidiary Mediobanca and, thus the number of shares held by the Parent Company with the actual number of outstanding shares of the subsidiary.

2. Significant assessments and assumptions for determining the scope of consolidation

Scope of consolidation

Subsidiaries

The Montepaschi Group's consolidated financial statements include the balance sheet and profit and loss account results of the Parent Company and the directly and indirectly controlled entities; they include subsidiaries operating in business sectors dissimilar to that of the Parent Company and structured entities, when the requirements of effective control are met, even irrespective of the existence of an equity interest.

Companies in which Banca MPS is exposed to variable returns, or holds rights to such returns, arising from its relationship with them and at the same time has the ability to affect returns by exercising its power over these entities, are considered subsidiaries.

The accounting standard IFRS 10 establishes a concept of control based on the simultaneous presence of three elements: (i) the power to direct the relevant activities, i.e. the activities performed by the entity being invested in that are capable of influencing its returns; (ii) exposure to the variability of returns from the investment entity's business, which may vary up or down, and (iii) the exercise of power to influence returns.

Thus, the aforementioned standard establishes that, to exercise control, the investor must have the ability to direct the entity's relevant activities, as the result of a legal right or a mere de facto situation, and also be exposed to the variability of results deriving from this power.

The Group must therefore consolidate all types of entities if all three control requirements are met. Generally, when an entity is managed through voting rights, control derives from the holding of more than half of those rights. In other cases, the identification of the scope of consolidation requires considering all factors and circumstances that give the investor the practical ability to unilaterally conduct the relevant activities of the entity (de facto control). To this end, it is necessary to consider a set of factors, such as, merely by way of example:

- the purpose and scope of the entity;
- the identification of the relevant activities and how they are managed;
- any right held through contractual agreements that grant the power to govern the relevant activities, such as the power to determine the financial and management policies of the entity, the power to exercise the majority of voting rights in the decision-making body, or the power to appoint or remove the majority of the decision-making body;
- any potential voting rights that can be exercised and deemed as substantial;
- involvement in the entity acting in the capacity of agent or principal;
- the nature and dispersion of any rights held by other investors.

Equity investments and equity securities

Equity investments and equity securities are considered subject to control if the Group directly or indirectly holds the absolute majority of voting rights in the ordinary shareholders' meeting and such rights are substantive, and the relative majority of voting rights if the other voting rights are held by widely-dispersed shareholders. Control may also exist in situations in which the Group does not hold the majority of voting rights, but holds sufficient rights to have the practical ability to unilaterally direct relevant activities of the investee or in the presence of:

- substantive potential voting rights through underlying call options or convertible instruments;
- rights deriving from other contractual arrangements which, combined with voting rights, give the Group the de facto ability to direct production processes, other operating or financial activities able to significantly influence the investee's returns;
- power to influence, through rules of the articles of association or other contractual arrangements, governance and decision-making procedures regarding relevant activities;
- majority of voting rights through contractual arrangements formalised with other holders of voting rights (i.e., shareholders' agreements).

Structured entities - investment funds

The Group takes the following positions with respect to funds:

- subscriber of units, held for long-term investment purposes or for trading;
- counterparty in derivatives.

A controlling relationship is established if the Group meets simultaneously the following conditions:

- has the power to direct the relevant activities, if:
 - it acts as fund manager and there are no substantial rights of dismissal by other investors; or
 - it has a substantive right to dismiss the fund manager (outside the Group) without just cause or for reasons attributable to the performance of the funds; or
 - the governance of the fund is such as to allow the Group to substantially govern the relevant activities;
- has a significant exposure to the variable returns of the fund, through the direct holding of units deemed significant, in addition to any other form of exposure related to the economic results of the fund;
- it is in a position to affect these returns through the exercise of power, if:
 - it is the fund manager;
 - it has a substantial right to dismiss the fund manager (external to the Group);
 - has a right to participate in the fund's committees such as to give to the Group the legal and/or practical authority to control the activities carried out by the manager.
 - there are contractual relationships that bind the fund to the Group for the subscription or placement of units.

Structured entities - securitisation special purpose vehicles

In checking for the fulfilment of requirements of control over securitisation special purpose vehicles, both the possibility of exercising power over relevant activities for its own benefit and the end purpose of the transaction are taken into consideration, as well as the investor/sponsor's involvement in the structuring of the transaction.

For autopilot entities, the subscription of the substantial entirety of the notes by Group companies is considered an indicator of the presence, particularly during the structuring phase, of the power to manage relevant activities to influence the economic returns of the transaction.

Equity investments in companies subject to joint control and under significant influence

Companies are considered as joint ventures, i.e. subject to joint control when the voting rights and the control of the economic activities of the investee are equally shared by the Parent Company, directly or indirectly, and by an external entity. Furthermore, an investment is considered as subject to joint control even when voting rights are not equally shared if control over the economic activities and the strategies of the investee is shared, based on contractual agreements, with other entities.

Companies are considered associates, that is, subject to significant influence, when the Parent Company, directly or indirectly, holds at least 20% of voting rights (including "potential" voting rights) or in which - though the voting rights

held may be lower - the Parent Company has the power to participate in determining financial and operating policies as a result of specific legal ties, such as adhering to shareholder agreements.

Methods of consolidation

With reference to the consolidation methods, subsidiaries are consolidated on a line-by-line basis, interests in jointly controlled companies and investments in companies subject to the Group's "significant influence" are consolidated with the synthetic equity method.

Line-by-line consolidation method

Line-by-line consolidation consists in the line-by-line acquisition of the balance-sheet and income statement aggregates of the subsidiaries. After the assignment to third parties, under a separate account, of their shares of equity and profit/loss, the value of the equity investment is eliminated against the recognition of the residual value of the subsidiary's equity.

Differences resulting from this transaction, if positive, are recognised - after any attribution to assets or liabilities of the subsidiary - under intangible assets as goodwill or other intangible assets. Negative differences are charged to the income statement.

Intragroup assets, liabilities, income and expenses are eliminated.

Acquisitions of companies are accounted for based on the "acquisition method" set forth in IFRS 3, based on which identifiable assets acquired and identifiable liabilities assumed (including contingent), must be recognised at their respective fair values at the acquisition date. In addition, for each business combination, any non-controlling interests in the acquired company may be recognised at fair value or in proportion with the share of non-controlling interests in identifiable net assets of the company acquired. Any excess of the consideration transferred (represented by the fair value of the assets transferred, liabilities assumed and equity instruments issued) and any recognition at fair value of the non-controlling interests with respect to the fair value of assets and liabilities acquired is recognised as goodwill; if the price is lower, the difference is allocated to the income statement; if the price is lower, the difference is charged to the income statement.

The "acquisition method" is applied starting from the acquisition date, as described in the paragraph "Business combinations" under section "A.2 – Part relating to the main items of the financial statements" below, to which reference should be made, or beginning when control over the acquired company is effectively obtained. Therefore, the income and expenses of a subsidiary purchased during the reference financial year are included in the consolidated financial statements as of the date of purchase.

On the other hand, the income and expenses of a subsidiary sold are included in the consolidated financial statements up to the date of disposal; the difference between the disposal consideration and the carrying amount of the investee's net assets is recognised in the income statement under line item "280. Gains (losses) on disposal of investments".

If there is a partial sale of the subsidiary that does not entail loss of control, the difference between the consideration for the sale and the relative book value is recognised as an offsetting entry in equity.

In order to prepare these Consolidated Financial Statements, all wholly-owned subsidiaries prepared a balance sheet and income statement that was compliant with the Group's accounting standards.

Equity investments held for sale were recognised in accordance with the reference IFRS 5 standard, which governs the treatment of non-current assets held for sale. In this case, assets and liabilities held for sale are reclassified under balance sheet item "120. Non-current assets held for sale and disposal groups" and "70. Liabilities associated with disposal groups".

If the ongoing disposal of the equity investment can be configured as a discontinued operation pursuant to IFRS 5, the related income and charges are shown in the income statement, net of the tax effect, under item "320. Profit (loss) after tax from discontinued operations". Otherwise, the contribution of the investee is shown in the income statement on a line-by-line basis. For further details, please refer to paragraph "8 - Non-current assets held for sale and disposal groups" contained in the following section "A.2 – Part relating to the main items of the financial statements".

If the fair value of the assets and liabilities held for sale, net of sales costs, are less than the carrying amount, an impairment is recognised in the income statement.

Equity consolidation method

Equity investments in jointly controlled companies and investments in companies subject to the Group's "significant influence" (associates) are consolidated with the synthetic equity method.

The equity method provides for the initial recognition of the investment at cost and its subsequent value adjustment on the basis of the share pertaining to shareholders' equity. The share pertaining to the investee's results for the year is recognised under line item "250. Gains (losses) on investments" of the consolidated income statement. Any change in the Statement of Comprehensive Income relating to these investee companies is presented, for the portion attributable to the Group, as part of the consolidated comprehensive income under shareholders' equity item "120. Valuation reserves".

In determining the ownership percentages, any potential voting rights are not considered.

After applying the equity method, the equity investment is subject to an impairment test if there is objective evidence of a loss in value that could affect the investee's cash flows and therefore the recoverability of the investment's carrying amount. For further details, please refer to the paragraph "Method for calculating impairment on equity investments" included in the next section "Use of estimates and assumptions when preparing financial statements".

If evidence of impairment indicates that there may have been a loss in value of an equity investment, then the recoverable value of the equity investment (which is the higher of the fair value, less costs to sell, and the value in use) should be estimated. The latter is determined by discounting the future cash flows that the equity investment may generate, including the final disposal value of the investment. Should the recoverable value be less than its book value, the difference is recognised immediately in the income statement, in the item indicated above. Should the reasons for impairment no longer apply as a result of an event occurring after the impairment was recognised, reversals of impairment losses are charged to the same item in the income statement, up to the amount of the previously recognised impairment.

The Group discontinues the use of the equity method on the date it ceases to exercise significant influence or joint control over the investee company; in which case, from that date, the investment is reclassified to "Financial assets measured at fair value through other comprehensive income" or to "Financial assets measured at fair value through profit or loss", provided that the associate or jointly controlled company does not become a subsidiary.

For the consolidation of jointly controlled companies and associates, the financial statements (annual or interim) that have been most recently approved by said companies are used. In rare cases, the companies do not apply IAS/IFRS standards, thus, for these companies, it has been ascertained that applying these standards would not result in significant impacts on the Group's consolidated financial statements.

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The changes in the scope of consolidation compared with the situation as at 31 December 2024 are mainly attributable to the inclusion within the scope of full consolidation of MEDIOBANCA – BANCA DI CREDITO FINANZIARIO S.p.A. and its subsidiaries⁹³.

For completeness, it should also be noted that the subsidiary AIACE REOCO S.r.l., wholly owned by the Parent Company, was already in liquidation and was removed from the Companies Register on 18 June 2025.

As from the 2024 Half-year Financial Report, the investee Monte Paschi Banque S.A. has been classified as a discontinued operation pursuant to IFRS 5. In this regard, it should be noted that on 6 June 2025 the Comité Social et Economique ("CSE") issued its opinion on the proposed transaction. Subsequently, on 20 June 2025, the Parent Company signed the sale and purchase agreement for the disposal of the French subsidiary, the completion of which, initially expected by the end of 2025, is currently scheduled by the end of the first half of 2026, pending the granting of the relevant regulatory authorisations.

3. Equity investments in wholly-owned subsidiaries with significant non-controlling interests

Non-controlling interests are considered significant on the basis of the materiality of total equity compared with the same value at consolidated level.

⁹³ In the Mediobanca Group, no changes to the scope of consolidation occurred in the last quarter.

3.1 Non-controlling interests, voting rights of non-controlling interests and dividends distributed to non-controlling interests

Company name	Non-controlling interest	Non controlling interest voting rights % (*)	Dividends distributed to minority shareholders
Mediobanca Group	13.65	12.93	61,525

*Voting rights at the Ordinary Shareholders' Meeting.

3.2 Equity investments with significant non-controlling interests: accounting information

	Mediobanca Group
Total assets	106,006,555
Cash and cash equivalent	1,673,614
Financial assets	94,600,288
Property, plant and equipment and intangible assets	2,230,505
Financial liabilities	183,861,971
Net Equity	11,447,877
Net interest income	437,371
Net interest and other banking income	585,825
Operational costs	(282,662)
Profit (loss) before tax from continuing operations	306,714
Profit (loss) after tax from continuing operations	221,827
Profit (loss) after tax from discontinued operations	-
Profit (loss) for the year (1)	221,830
Other comprehensive income net of tax (2)	256,994
Consolidated comprehensive income (3) = (1) + (2)	478,824

Balance sheet and income statement data refer to the situation as at 31 December 2025 before intra-group eliminations.

4. Significant restrictions

In terms of significant restrictions, as at 31 December 2025, the MPS Group is subject to the prudential framework laid down by Directive 2013/36/EU (CRD IV) and Regulation (EU) 575/2013 (CRR), as subsequently amended and supplemented, which require the Group to comply with the minimum own funds requirements under Pillar 1 (CET1 Ratio, Tier 1 Ratio, Total Capital Ratio, Leverage Ratio), in addition to Pillar 2 requirements and the combined buffer requirement (CBR), as well as liquidity risk requirements and supervision systems, centred on a short-term liquidity requirement (Liquidity Coverage Ratio) and a longer-term structural balance rule (Net Stable Funding Ratio).

The Group is also subject to the recovery and resolution provisions laid down by Directive 2014/59/EU (BRRD), as subsequently amended and supplemented, which require compliance with the minimum requirement for own funds and eligible liabilities (MREL requirements); to the provisions of Regulation (EU) 806/2014, which sets out the rules and procedures for the resolution of credit institutions within the framework of the Single Resolution Mechanism and the Single Resolution Fund; to applicable national legislation; and to further provisions issued by the competent authorities. Within the prudential scope of consolidation are banks and financial entities subject to the same framework, or to similar frameworks, aimed at preserving adequate capitalisation in relation to the risks assumed.

The ability of the controlled banks or other supervised entities to distribute capital or dividends is therefore subject to compliance with the regulatory framework both in terms of capital requirements (Pillar 1, Pillar 2 and CBR) and MREL requirements; and, where the requirements are not met, in terms of the "Maximum Distributable Amount". Further constraints stem from the provisions of the Italian Civil Code on distributable profits and reserves.

The MPS Group has issued financial instruments (equity securities, subordinated securities and senior securities) whose early redemption, repurchase or repayment before their contractual maturity is subject to prior authorisation by the competent authorities (ECB and SRB). There are also no protective rights held by minority shareholders capable of limiting the Group's ability to access or transfer assets among Group companies or to settle the Group's liabilities.

5. Other information

The financial statements processed for line-by-line consolidation of the subsidiaries include the financial statements as at 31 December 2025, as approved by the Boards of Directors of the respective companies. There are no subsidiaries whose financial statements refer to a date other than that of the consolidated financial statements at 31 December 2025, except of the three subsidiaries ARMA⁹⁴, whose reporting date is 31 March.

⁹⁴ ARMA PARTNERS LLP, ARMA PARTNERS CORPORATE FINANCE LTD, ARMA DEUTSCHLAND GmbH.

Section 4 – Events after the Reporting Date

It should be noted that the significant events that occurred in the period between the reporting date (31 December 2025) and the date of approval of the draft financial statements by the Board of Directors (10 March 2026), are entirely attributable to “*non adjusting events*” pursuant to IAS 10, i.e. events that do not entail any adjustments to the balances in the financial statements, as they are the expression of situations arising after the reporting date.

For a complete discussion of the aforementioned events, please refer to the section ‘Significant Events after the end of the 2025 financial year’ included in the Consolidated Report on Operations.

Section 5 – Other Matters

Interest rate benchmark reform

As at 31 December 2025, the Group had completed the planned actions to adapt its management and accounting systems to the new Alternative Reference Rates, thus replacing the IBOR indices, as required by Regulation (EU) 2016/1011 (Benchmark Regulation). The benchmark rate reform in Europe has concluded, with two rates now being published daily and fully compliant with the Benchmark Regulation: the Euribor rate for maturities up to 12 months, administered by EMMI (European Money Market Institute), and the €STR rate for the overnight maturity, calculated and published by the ECB. Below is a summary of the key milestones in the process.

Final discontinuation of LIBOR

- LIBOR (all currencies): the publication of LIBOR has officially ended; rates in GBP, JPY, CHF and EUR, together with certain USD tenors, ceased on 31 December 2021.
- USD LIBOR: the final USD tenors ceased on 30 June 2023. The “synthetic” versions (used temporarily for legacy contracts that were hard to amend) were finally discontinued by 30 September 2024.

Situation in the Eurozone (Euribor and €STR)

Unlike LIBOR, Euribor was not discontinued, but was significantly reformed.

- Hybrid Euribor: continues to be used thanks to a “hybrid” calculation methodology that prioritises actual transactions.
- €STR (Euro Short-Term Rate): is the new “overnight” reference rate that replaced EONIA from January 2022 and is the main fallback parameter for contracts based on Euribor.

Regulatory updates 2025

In 2025, Regulation (EU) 2025/914 was published, amending the Benchmark Regulation (EU) 2016/1011, narrowing the scope of application to critical, significant and climate benchmarks and to specific commodity indices, excluding non-significant benchmarks from 2026, and introducing greater flexibility in the use of third-country indices no longer subject to the Regulation. The amendments will be fully effective from 2026 and affect the processes for selecting, monitoring and using benchmarks relevant to banking operations.

At the same time, the new art. 118-bis of the Consolidated Banking Law (TUB), which transposes art. 28(2) of the Benchmark Regulation, has been fully implemented, requiring intermediaries to adopt, publish and update replacement plans, as well as to include specific fallback clauses in contracts and to promptly inform customers in the event of a change in or cessation of the benchmark used. The integration between the European reform and national legislation strengthens operational continuity and contractual certainty in cases where benchmarks are replaced.

The ESEF (European Single Electronic Format) for the preparation of annual financial reports

The Delegated Regulation (EU) No. 2019/815 (so-called ESEF Regulation), amending the Transparency Directive No. 2004/109/EC, stipulates that issuers whose securities are listed on regulated markets in the European Union must prepare their annual financial reports in accordance with the single electronic reporting format ESEF approved by ESMA: with the eXtensible HyperText Markup language (XHTML), “marking up” the basic financial statements, the consolidated financial statements and the notes to the financial statements, with the specifications of the Inline eXtensible Business Reporting Language (iXBRL).

From an operational point of view, the marking process was carried out in two ways:

- the detailed marking, relating to the numerical items of the consolidated financial statements, labels each numerical value contained in the statements themselves, identifying the appropriate tag in the basic taxonomy;
- the block marking, relating to the content of the Notes to the financial statements, requires that for each applicable element of the taxonomy, the conceptually corresponding portion of the Notes to the financial statements, consisting of text and tables (so-called “bloc tag”), is identified.

The basic taxonomy to be used for the single electronic reporting format is updated by ESMA to take into account, among other aspects, the issuance of new IFRSs, the amendment of existing IFRSs and the analysis of information published by issuers.

On 15 January 2025, Commission Delegated Regulation (EU) 2025/19, of 26 September 2024, amending the regulatory technical standards set out in Delegated Regulation (EU) 2019/815 with regard to the 2024 update of the taxonomy for the single electronic financial reporting format was published in the Official Journal of the European Union. The 2024 ESEF Taxonomy, effective from 1 January 2025, was used to “tag” the statements and the Notes to the financial statements of the 2025 consolidated financial statements.

Finally, however, certain information contained in the Notes to the Consolidated Financial Statements when extracted from the XHTML format in an XBRL instance, due to certain technical limitations, may not be reproduced identically to the corresponding information displayed in the Consolidated Financial Statements in XHTML format.

The Annual Financial Report, drawn up in compliance with the ESEF Regulation, was approved by the Board of Directors of Banca MPS on 10 March 2026 and will be made public in accordance with the law.

ESMA Priorities 2025

In October 2025, ESMA published the European Common Enforcement Priorities (ECEP) for the 2025 financial statements, highlighting the thematic areas of particular relevance for 2025 disclosures. The priorities are divided into specific sections with regard to: i) annual financial report, ii) sustainability reporting, iii) ESEF reporting and iv) general considerations and reminders included in previous years’ statements.

With regard to the enforcement priorities for the 2025 annual financial report, these mainly concern topics linked to geopolitical risks and uncertainties and to segment reporting.

In particular, ESMA calls for generic references to geopolitical uncertainties to be avoided and for the events and circumstances that affect valuations and results to be described precisely, thereby providing entity-specific information. The objective is to ensure that information in the financial statements reflects not only the accounting snapshot, but also companies’ strategic resilience. ESMA also invites companies to assess whether it is necessary to provide additional information, beyond that required by IFRS, to enable investors to fully understand the impact of such risks on financial position, cash flows and results. For further information, please refer to the section “Use of estimates and assumptions when preparing financial statements” in Part A – Accounting policies.

The Authority also calls for greater transparency in segment reporting (IFRS 8). The objective is to ensure that information on different businesses is consistent and accompanied by clear explanations of the criteria used to identify and aggregate segments. Geopolitical tensions and climate challenges, the Authority stresses, may change the organisation of businesses and make it necessary to update the way revenues and results are presented. ESMA therefore asks companies to provide detailed data on revenues and costs for each segment, also specifying extraordinary or significant items, and to be transparent about the geographical distribution of revenues and exposure to major customers—information essential for assessing true diversification and the risks of the business model. For further details on segment reporting, please refer to the paragraph “Results by Operating Segment” in the Consolidated Report on Operations.

For ESEF reporting, ESMA focuses on correct tagging, in particular of the cash flow statement, on proper management of extensions and anchoring, on signs and numerical scale, and on duplications and improper links. Such errors distort the accuracy of information, undermining the readability and reliability of the data.

Among the general considerations, ESMA highlights the need for consistency between financial and sustainability information, for example in estimates of climate impacts. For further details on the climate issues and the related financial and non-financial effects, please refer to the paragraph “General Information” and “Environmental Information” in the Sustainability Report included in the Consolidated report on operations.

ESMA also draws attention to the imminent amendments to IFRS standards; specifically, to the effective date of those concerning IFRS 9 and IFRS 7, which relate to the classification of financial instruments with variable returns linked to

ESG targets and the settlement of liabilities using electronic payment systems. To be prepared, issuers should promptly analyse the potential impact and disclose any expected material effects in their 2025 financial statements. It also notes the need to start assessing the impact of IFRS 18 on financial statements, reporting systems and communications. Finally, issuers will have to ensure stability and transparency in defining alternative performance measures (APMs), avoiding opportunistic adjustments linked to the geopolitical context.

On 6 March 2025, Consob and the Bank of Italy published the joint document “Crypto-assets and financial statement disclosure”, requesting issuers that purchase crypto-assets to provide in their financial statements information useful for understanding the effects of such assets on their equity, economic and financial position, where relevant. It is required, in particular, to assess whether the crypto-assets held fall within the classification of cryptocurrencies addressed by the IFRS IC and therefore constitute intangible assets under IAS 38, or, if they are held for sale in the ordinary course of business, constitute inventory to be accounted for under IAS 2. Regulators recommend exercising particular caution in measuring cryptocurrencies in the financial statements and providing all information necessary to enable users of the financial statements to understand the risks associated with these assets and the accounting policies adopted. In the case of crypto-assets that do not fall within the category of cryptocurrencies, their specific characteristics must be assessed to determine the appropriate accounting treatment and, where relevant, adequate disclosure must be provided in the financial statements, together with the nature of such assets and the risks they may entail for the issuer’s economic and equity position. Finally, the authorities ask issuers to provide relevant information on the assumptions used to determine the related carrying amounts.

As at 31 December 2025, the Group had no cryptocurrency transactions outstanding.

Below is an illustration of the new accounting standards or amendments to existing standards approved by the IASB, as well as new interpretations or amendments to existing ones published by IFRIC, with separate disclosure of those applicable in the 2025 financial year from those that may be adopted in subsequent financial years.

List of IAS/IFRS international accounting standards and related SIC/IFRIC interpretations endorsed for mandatory application as from the 2025 financial statements

Regulation (EU) 2024/2862, of 13 November 2024, endorsed the amendment to IAS 21 “**The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability**”, published by the IASB on 15 August 2023. The amendment clarifies when a currency is convertible or not convertible into another currency, how to estimate the exchange rate if the currency is not convertible, and the disclosures to be made in the notes to the financial statements.

The amendment will become effective on 1 January 2025, but early adoption is permitted.

The aforementioned amendment did not have any significant impact on the Group’s financial position or performance.

On 28 November 2025, the IASB published the amendment to the illustrative examples of IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 “**Disclosures about Uncertainties in the Financial Statements Disclosures about Uncertainties in the Financial Statements**”, which represents the final version of the document already published last July. The document contains a series of illustrative examples on the presentation of uncertainties, including the effects of climate change, in financial reporting. The amendment is not subject to endorsement, has no effective date but, as clarified by the IASB itself, must be applied promptly in the preparation of the financial statements.

List of IAS/IFRS international accounting standards and related SIC/IFRIC interpretations endorsed whose mandatory application starts after 31 December 2025

Regulation (EU) 2025/1047 of 28 May 2025 endorsed the amendment to IFRS 9 and IFRS 7, titled “**Amendments to the Classification and Measurement of Financial Instruments**”. The amendments to the two standards clarify certain critical aspects of the classification and measurement of financial instruments pursuant to IFRS 9 that emerged from the post-implementation review of the standard. In particular, the amendments addressed:

- the classification of financial instruments with variable returns linked to ESG objectives. On this topic, the IASB has listed some examples of financial instruments to determine whether the SPPI requirement is met. More specifically:

- an arrangement whereby interest is to be paid if the borrower meets a contracted ESG target (e.g. to reduce carbon emissions) is consistent with a basic lending arrangement and, therefore, enables a positive assessment;
- an arrangement that provides for the adjustment of an market variable-linked interest rate (e.g. the carbon price index) does not compensate the lender for the risks and costs associated with lending the principal amount; therefore, it does not qualify as a basic lending arrangement.
- settling financial liabilities using an electronic payment system. The amendments permit liability to be settled in cash using an electronic payment system before the settlement date (by exception from the applicable rules) only when the payment instruction issued by the entity:
 - a) cannot be withdrawn, stopped or cancelled;
 - b) the cash to be used for settlement of the payment instruction cannot be accessed and
 - c) the settlement risk associated with the electronic payment system is insignificant (i.e. when a standard procedure is used to execute the payment instruction and there is a short period between the fulfilment requirements (a) and (b) and the delivery of the cash to the counterparty. However, the settlement risk is not insignificant if the execution of the payment instruction is contingent on the entity's ability to deliver cash on the settlement date.

With these amendments to IFRS 9 - *Financial Instruments*, the IASB also introduced additional disclosure requirements to improve transparency for the benefit of investors as regards equity instruments for which the option has been exercised for the recognition of changes in fair value in the statement of comprehensive income (OCI election) and financial instruments with contingent characteristics, e.g. associated with ESG-linked objectives. The amendments apply to financial years beginning on or after 1 January 2026.

The aforementioned amendments are not expected to have a significant impact on the Group's assets and liabilities, profit and loss and net financial position.

Regulation (EU) 2025/1266 of 1 July 2025 endorsed the amendment to IFRS 9 and IFRS 7 titled “**Contracts Referencing Nature-dependent Electricity**”, published by the IASB on 18 December 2024, with the aim of including in financial reporting specific disclosure requirements for this type of contract.

Nature-dependent contracts relate to the procurement of electricity from renewable sources and are characterised by contractual terms that expose the company to variability in the quantity of underlying electricity, as the electricity generation source depends on uncontrollable natural conditions (e.g. wind, sun, etc.); these may include both ‘buy or sell’ contracts and financial instruments referencing electricity. Such contracts are often structured as long-term energy purchase agreements (“*Power Purchase Agreements* - PPA”) that:

- provide a quantity of electricity generated by the nature-dependent energy source to the purchaser at a fixed unit price (“physical PPAs”) in addition to environmental certificates; or
- contain a swap that pays out the net difference between a fixed-price cash flow and a variable-price cash flow related to a quantity of nature-dependent energy source (“virtual PPPs” or “VPPAs”) and provide the corresponding environmental certificates.

A unique feature of these PPAs is that whether and how much electricity is generated by the reference plant at any given time is determined by the nature-dependent sources. The IASB's amendments:

- introduce guidelines to assess whether contracts meet “own use” requirements and, therefore, can continue to be considered to be held for the purpose of the receipt of energy in accordance with the entity's expected usage requirements, thus exempting the contract from the accounting treatment provided for contracts to buy or sell non-financial items and therefore the classification as financial instruments to be measured at *fair value*. This occurs if the entity has been, and expects to be, a net purchaser of electricity for the contract period (i.e. if it buys sufficient electricity to offset the sales of any unused electricity in the same market in which it sold the electricity).
- The integration of the hedge accounting treatment provided under IFRS 9, where the contract is designated as a hedging instrument in a cash flow hedge relationship. In this case, it is permissible to designate as the hedged item a variable nominal amount of forecast electricity transactions that is aligned with the variable amount of the volume of electricity expected to be delivered by the generation facility as referenced in the hedging instrument.
- The introduction of specific disclosures with regard to contracts to purchase energy from natural sources that meet “own use” requirements.

The amendments apply as of 1 January 2026. Early application is permitted. In particular, the changes relating to the “own use” exemption apply retrospectively under IAS 8, while the changes relating to hedge accounting treatment apply prospectively to relationships designated on or after the date of first application.

The aforementioned amendment is not expected to have a significant impact on the Group’s financial position and equity.

Finally, Regulation (EU) 2025/1331 of 10 July 2025 endorsed the document “**Annual Improvements Volume 11**”, published by the IASB on 18 July 2024, which includes clarifications, simplifications, corrections, and minor amendments to IFRS standards aimed at enhancing consistency. These concerned the following accounting standards:

- IFRS 1 “**First-time Adoption of International Financial Reporting Standards**”
- IFRS 7 “**Financial Instruments’ Disclosures**” and Guidance on implementing IFRS 7,
- IFRS 9 “**Financial Instruments**”
- IFRS 10 “**Consolidated Financial Statements**”; and
- IAS 7 “**Statement of Cash Flow**”.

The amendments apply as of 1 January 2026. Early application is permitted.

No significant effect on the Group’s consolidated financial statements is expected from the adoption of this document.

On 9 April 2024, the IASB published IFRS 18 “**Presentation and Disclosure in Financial Statements**” adopted by Regulation (EU) 2026/338 of 16 February 2026, which replaces IAS 1 “Presentation of Financial Statements”. The new standard establishes the presentation and disclosure requirements for financial statements with the aim of making the information more transparent and comparable and to ensure that it faithfully represents the assets, liabilities, shareholders’ equity, revenues and costs of the entity. The main changes compared to IAS 1 are:

- the classification of income and expenses in five categories (operating, investing, financing, income taxes, discontinued operations) based on the core business activities of the entity;
- new statement items with sub-totals (operating profit; profit before financing and income taxes);
- increased obligations relating to the aggregation and disaggregation of information based on characteristics that agree (or not) with financial statement items; in particular, with regard to expenses to be presented within the “operating” category, items must be presented in the most useful way possible, choosing between a classification by nature, by function, or a combination of both;
- the introduction of disclosure requirements for the inclusion of performance measurement indices (MPMs), i.e. financial performance indices based on a total or subtotal required by IFRS, with certain adjustments (i.e. “adjusted profit or loss”).

The new standard also involves limited amendments to other standards, including IAS 7 “**Statement of Cash Flows**”, IAS 33 “**Earnings per Share**” and IAS 34 “**Interim Financial Reporting**”.

Application becomes effective from 1 January 2027; Pursuant to IAS 34, the entity will be required to present its income statement in compliance with IFRS 18 requirements in the 2027 half-yearly financial statements.

The aforementioned amendments, affecting the presentation of the income statement and financial statement disclosures, will need to be appropriately coordinated with Bank of Italy Circular no. 262. In addition to the impacts in terms of a different presentation of disclosures, the introduction of the standard under review is not expected to have any impacts on the Group’s equity, financial position or results of operations.

IAS/IFRS international accounting standards and related SIC/IFRIC interpretations issued by the IASB and still awaiting approval from the European Commission

On 9 May 2024, the IASB published IFRS 19 “**Subsidiaries without Public Accountability: Disclosures**”. Under certain conditions, the new standard allows subsidiaries that apply the international accounting standards to provide reduced financial statement disclosures, thus lowering their financial statement preparation costs. In order to apply the standard, the subsidiary: i) it must not have “public accountability”, meaning it has not issued, is not in the process of issuing, equity or debt instruments in a regulated market, and does not hold assets in a fiduciary capacity for a broad group of outsiders; and ii) it must have a parent company, either ultimate or intermediate, that prepares consolidated financial statements in accordance with international accounting standards. On 21 August 2025, the IASB published an amendment to IFRS 19 to allow further reductions in the disclosures required under certain standards that were not considered at the time IFRS 19 was first issued.

The application of IFRS 19 is optional for eligible subsidiaries and enters into force from 1 January 2027.

The adoption of this standard is not expected to have a significant impact on the Group's financial statements.

On 13 November 2025, the IASB published the amendment to IAS 21 **“The Effects of Changes in Foreign Exchange Rates: translation to a Hyperinflationary Presentation Currency”**. The document clarifies how to perform the conversion from a non-hyperinflationary currency to a hyperinflationary currency.

Application becomes effective from 1 January 2027 and early application is permitted.

The adoption of this standard is not expected to have a significant impact on the Group's financial statements.

A.2 – Part relating to the main items of the financial statements

Accounting standards

The following is a description of the accounting standards that have been adopted with reference to the main asset and liability items for the preparation of the consolidated financial statements as at 31 December 2025 with reference to the stages of classification, recognition, measurement and derecognition of the various asset and liability items, as well as for the methods of recognising revenues and costs. These principles are consistent with those adopted in preparing the comparative financial statements as at 31 December 2024 and have been supplemented to take account of new accounting cases arising from the acquisition of the Mediobanca Group.

1 Financial assets measured at fair value through profit or loss (FVTPL)

a) classification criteria

These assets include financial assets other than those classified under “Financial assets measured at fair value through other comprehensive income” and “Financial assets measured at amortised cost”. The item in particular includes:

- debt securities or loans that are included in an “Other” Business Model, i.e., a procedure for managing financial assets that does not have the objective of collecting contractual cash flows (“Held to Collect” business model) or collecting contractual cash flows and selling financial assets (“Hold to Collect and Sell” business model);
- debt securities, loans and units of UCITS whose contractual terms do not exclusively provide for repayments of principal and interest on the amount of principal to be repaid (i.e., that do not pass the so-called Solely Payment of Principal and Interest (SPPI) test);
- equity instruments that cannot be classified as representing control, affiliation, and joint control, held for trading purposes or for which, upon initial recognition, the fair value through comprehensive income option was not chosen;
- derivative contracts, recognised in financial assets held for trading, that are recognised as assets if the fair value is positive, or liabilities if the fair value is negative.

With reference to the latter, it is possible to offset current positive and negative values deriving from outstanding transactions with the same counterparty - including in the case of derivative contracts allocated to the trading portfolio and hedging derivative contracts, as required by Circular 262 - only if the legal right to offset the amounts recognised is currently in place and the entity intends to proceed with the net settlement of offsetting positions.

More detailed information is provided below on the three sub-items that comprise this category, represented by: “Financial assets held for trading”, “Financial assets measured at fair value”, and “Other financial assets mandatorily measured at fair value”.

Financial assets held for trading

Financial assets (debt securities, equity securities, loans, units of UCITS) are classified as held for trading purposes if they are managed with the objective of generating cash flows through their sale, as they are:

- acquired for the purpose of selling them in the short-term;
- part of a portfolio of financial instruments that are managed on an individual basis and for which there is proven existence of a strategy targeted at earning a profit in the short term.

It also includes derivatives with a positive fair value not designated as having an accounting hedge relationship. Derivative contracts include those embedded in complex financial instruments, in which the primary contract is a financial liability, which were subject to separate accounting as:

- their economic characteristics and risks are not strictly related to the characteristics of the underlying contract;
- the embedded instruments, even if separate, satisfy the definition of derivative;
- hybrid instruments to which they belong are not measured at fair value with the relative changes posted to the income statement.
- Underwriting commitments subject to syndication are also included where fair value is positive.
-

Financial assets designated at fair value

A financial asset (debt securities and loans) can be designated at fair value irrevocably at the time of initial recognition, only when this designation makes it possible to eliminate or significantly reduce a measurement inconsistency ("accounting mismatch"). This case concerns, in particular, the related portfolio of assets and liabilities provided for under the business model for managing equity-linked certificates, where, to eliminate the accounting mismatch, changes in own credit risk and realised gains/losses are recognised in profit or loss.

Other financial assets mandatorily measured at fair value

Other Financial assets mandatorily measured at fair value represent a residual category and include:

- debt securities and loans, when: i) the relative contractual cash flows do not represent solely payments of principal and interest on the residual principal (SPPI test failed), or ii) are not held as part of a Business Model whose objective is the ownership of assets for purposes of collecting contractual cash flows ("Hold to Collect" Business Model) or those whose objective is achieved either by collecting contractual cash flows or by selling financial assets ("Held to Collect and Sell" Business Model);
- UCITS units;
- equity securities held for purposes other than trading for which the option of classification at fair value through other comprehensive income is not exercised.

b) recognition criteria

Initial recognition of financial assets occurs at settlement date for debt securities, equities and units of UCITS, at disbursement date for loans, and at trade date for derivative contracts. Upon initial recognition, financial assets measured at fair value through profit or loss are recognised at fair value, which usually corresponds to the amount paid, without considering transaction costs or revenues directly attributable to the instrument, which are directly recognised in the income statement.

c) measurement criteria

After initial recognition, financial assets measured at fair value through profit or loss are recorded at fair value, with changes recognised as an offsetting entry in the income statement.

To determine the fair value of financial instruments listed on an active market, market prices recorded at the reporting date are used. In the absence of an active market, commonly adopted estimation methods and valuation models are used, which take into account all the risk factors related to the instruments and which are based on data recorded on the market such as: valuation of listed securities with similar characteristics, discounted cash flow calculations, option pricing models and values recognized in recent comparable transactions. For equity securities and derivatives on equity securities that are not listed on an active market, the cost criterion is used as an estimate of the fair value only on a residual basis and limited to rare circumstances, i.e., if none of the measurement models previously mentioned can be applied, or if there is a wide range of possible fair value measurements, in which case the cost represents the most meaningful estimate.

For further information on the criteria for determining the fair value, please refer to Section "A.4 Information on Fair Value" of Part A of these Notes to the consolidated financial statements.

d) revenue recognition criteria

The interest of the three sub-items that comprise this category is recorded under item "10 - Interest income and similar revenues".

Realised gains and losses, the gains and losses from measurements for "Financial assets held for trading", including derivatives associated with financial assets/liabilities measured at fair value, are booked to the income statement under item "80 - Net trading income (expenses)". These income effects pertaining to "Financial liabilities measured at fair value" as well as "Other Financial assets mandatorily measured at fair value" are booked to the income statement under item "110 - Net profit/loss from financial assets and liabilities measured at fair value through profit and loss", in the sub-items "a) financial assets and liabilities measured at fair value" and "b) other Financial assets mandatorily measured at fair value", respectively.

e) derecognition criteria

Financial assets are derecognised from financial statements: i) upon expiration of the contractual rights on the cash flows resulting from the assets, or ii) when the financial assets are sold and all related risks/benefits are transferred. However, if a relevant portion of the risks and benefits associated with disposed financial receivables have been maintained, they continue to be posted in the financial statements, even if legal ownership of the asset has been effectively transferred.

If it is not possible to ascertain a substantial transfer of risks and benefits, the financial assets are derecognised when control of the assets has been surrendered. Conversely, if such control has been maintained, even partly, the assets should continue to be recognised to the extent of residual involvement, as measured by the exposure to the changes in value of the assets disposed and to the changes in their cash flows.

Finally, disposed financial assets are derecognised if the contractual rights to receive the cash flows are maintained and a contractual obligation is simultaneously undertaken to pay only said flows, without a significant delay, to third parties.

f) reclassification criteria

According to the general rules established by IFRS 9 on reclassifying financial assets (with the exception of equity securities, for which reclassification is not permitted), reclassifications to other categories of financial assets are not permitted unless the entity changes its Business Model for managing financial assets. In these cases, which are expected to be highly infrequent, financial assets may be reclassified from the category 'measured at fair value through profit or loss' to one of the other two categories envisaged by IFRS 9 (financial assets measured at amortised cost or financial assets measured at fair value through other comprehensive income). The transfer value is represented by the fair value at the time of the reclassification and the effects of the reclassification apply prospectively from the reclassification date. In this case, the effective interest rate of the reclassified financial asset is calculated based on its fair value at the reclassification date and this date is considered as the initial recognition date in assigning it to the various credit risk stages (stage assignment) for purposes of impairment.

For more information on classification criteria for financial instruments, please refer to the section "Classification criteria for financial assets" below.

2 Financial assets designated at fair value through other comprehensive income (FVTOCI)

a) classification criteria

This category includes financial assets represented by:

- debt securities, managed as part of a "Hold to collect and sell" business model and whose contractual flows represent only payments of principal and interest on the residual capital (SPPI test passed);
- equity instruments (not qualifiable as control, association and joint control), held as part of a Business Model other than trading for which the option for recognition in the individual instrument was irrevocably exercised at the time of initial recognition of the individual instrument, the option for recognition in the statement of comprehensive income from changes in fair value after initial recognition (OCI election).

b) recognition criteria

Financial assets are initially recognised on the date of settlement, with reference to debt or equity instruments, and on the date of disbursement with reference to loans.

On initial recognition, the assets are measured at their fair value, which normally corresponds to the price paid, inclusive of transaction costs or income directly attributable to the instrument.

c) measurement criteria

Financial assets represented by debt securities and loans, following initial recognition, continue to be measured at fair value, with recognition in the income statement of interest (based on the effective interest rate method), expected credit losses and any exchange rate changes. Other impairment gains or losses, on the other hand, are booked to the appropriate equity reserve net of the associated tax effect (item "120 - Valuation reserves"). Upon cancellation of the financial asset, the accumulated profits or losses in the valuation reserve will be subject to recycling to the Income Statement (item "100. Gains (losses) on disposal / repurchase of: b) financial assets measured at fair value through other comprehensive income).

Financial assets represented by equity instruments, following initial recognition, continue to be measured at fair value, with changes booked to the appropriate equity reserve net of the associated tax effect (item "120 - Valuation reserves"). The amounts recognised in this reserve will never be transferred to the income statement, even in the event of a sale; in this case, a reclassification is made to another equity item (item "150 - Reserves"). Furthermore, no write-down to the income statement is envisaged for these assets as they are not subject to any impairment process. The only component of these equity securities that is recognised in the income statement is represented by the related dividends (item "70 - Dividends and similar income").

For equity securities included in this category, which are not listed on an active market, the cost criterion is used as an estimate of the fair value only on a residual basis and limited to rare circumstances, i.e., if none of the measurement models previously mentioned can be applied, or if there is a wide range of possible fair value measurements, in which case the cost represents the most meaningful estimate.

For further information on the criteria for determining the fair value, please refer to Section “A.4 Information on Fair Value” of Part A of these Notes to the consolidated financial statements.

Financial assets measured at fair value through other comprehensive income - both in the form of debt securities and loans - are subject to verification of the significant increase in credit risk (impairment) as required by IFRS 9, similar to assets measured at amortised cost, with the consequent recognition in the income statement of a value adjustment to cover expected losses. In summary, an estimated loss at one year is recognised, at the initial recognition date and at every subsequent reporting date, on instruments classified in stage 1 (i.e., on financial assets at the origination date, if not impaired, and on instruments for which there has not been a significant increase in credit risk compared to the initial recognition date). Instead, for instruments classified in stage 2 (performing, for which there has been a significant increase in credit risk compared to the initial recognition date) and stage 3 (non-performing exposures) an expected loss is recorded for the entire residual life of the financial instrument. Conversely, equity securities are not subject to the impairment test.

For more detailed information, please refer to the subsequent paragraph “Use of estimates and assumptions when preparing financial statements - Methods for calculating impairment on IFRS 9 financial instruments”.

d) revenue recognition criteria

As regards financial instruments represented by debt instruments:

- interest is recorded under item “10 - Interest income and similar revenues”;
- expected credit losses recognised for the year are accounted for in item “130 - “Net impairment (losses)/reversals for credit risk of: (b) financial assets measured at fair value through other comprehensive income as a balancing entry to the specific equity valuation reserve (“120. Valuation reserves”); the same applies to recoveries of part or all of the write-downs made in previous financial years;
- at the moment of derecognition, valuations accumulated in the specific equity reserve are reversed to the income statement under item “100 - Gains/losses from disposal/repurchase of: b) financial assets measured at fair value through other comprehensive income”.

As regards financial instruments represented by equity instruments, for which the “OCI election” was exercised, only dividends are booked to the income statement (item “70 - Dividends and similar income”).

e) derecognition criteria

Financial assets are derecognised from financial statements: i) upon expiration of the contractual rights on the cash flows resulting from the assets, or ii) when the financial assets are sold and all related risks/benefits are transferred. However, if a relevant portion of the risks and benefits associated with disposed financial receivables have been maintained, they continue to be posted in the financial statements, even if legal ownership of the asset has been effectively transferred.

If it is not possible to ascertain a substantial transfer of risks and benefits, the financial assets are derecognised when control of the assets has been surrendered. Conversely, if such control has been maintained, even partly, the assets should continue to be recognised to the extent of residual involvement, as measured by the exposure to the changes in value of the assets disposed and to the changes in their cash flows.

Finally, disposed financial assets are derecognised if the contractual rights to receive the cash flows are maintained and a contractual obligation is simultaneously undertaken to pay only said flows, without a significant delay, to third parties.

f) reclassification criteria

According to the general rules established by IFRS 9 on reclassifying financial assets (with the exception of equity securities, for which reclassification is not permitted), reclassifications to other categories of financial assets are not permitted unless the entity changes its Business Model for managing financial assets. In these cases, which are expected to be highly infrequent, financial assets may be reclassified from the category ‘measured at fair value through other comprehensive income’ to one of the other two categories envisaged by IFRS 9 (financial assets measured at amortised cost or financial assets measured at fair value through profit or loss). The transfer value is represented by the fair value at the time of the reclassification and the effects of the reclassification apply prospectively from the reclassification date. If assets are reclassified from this category to the amortised cost category, the cumulative gain (loss) recorded in the valuation reserve is adjusted to the fair value of the financial asset at the reclassification date. If,

instead, assets are reclassified to the fair value through profit or loss category, the cumulative gain (loss) recorded previously in the valuation reserve is reclassified from shareholders' equity to profit (loss) for the year.

For more information on classification criteria for financial instruments, please refer to the section "Classification criteria for financial assets" below.

3 Financial assets measured at amortised cost

a) classification criteria

Included in this category are financial assets represented by loans and debt securities held according to a business model whose objective is achieved through the collection of contractually stipulated cash flows (business model "Hold to collect") and whose contractual flows represent only principal and interest payments on the principal to be repaid (SPPI test passed).

The portfolio of financial assets measured at amortised cost includes:

- the entire portfolio of loans in the various technical forms that satisfy the above requirements (including repurchase agreements), stipulated with both banks and customers;
- debt securities, mainly government bonds, which satisfy the above requirements;
- operating receivables connected with providing financial assets and services as defined in the Consolidated Banking Law and the Consolidated Law on Finance (e.g., for distribution of financial products and servicing activities);
- receivables originating from financial lease transactions which, in accordance with IFRS 16, are recognised as credits as they transfer risks and benefits to the lessee, including the values referring to assets pending financial leasing, such as properties under construction;
- loans to banks and central banks other than "at sight".

b) recognition criteria

Financial assets are initially recognised on the date of settlement, with reference to debt securities, and on the date of disbursement, with reference to loans. In particular, as far as loans are concerned, the disbursement date normally coincides with the contract execution date. If this coincidence does not occur, at the time of the contract execution, a commitment to disburse funds is recorded, which closes on the date of disbursement of the loan. The initial recognition is based on the fair value of the financial instrument (which is normally equal to the amount disbursed or price of underwriting), inclusive of the costs/income directly related to the individual instruments and determinable as of the transaction date, even if such costs/income are settled at a later date. This does not include costs which have these characteristics but are subject to repayment by the debtor or which can be encompassed in ordinary internal administrative expenses.

Repurchase agreements with forward repurchase or resale obligation are recorded in the Financial Statements as funding or lending transactions. In particular, spot sales and forward repurchase transactions are recognised in the financial statements as payables for the spot amount received, while spot purchase and forward resale transactions are recognised as receivables for the spot amount paid.

c) measurement criteria and revenue recognition criteria

Following initial recognition, financial assets booked to this category are measured at amortised cost using the effective interest rate criterion. This interest is recorded under item "10 - Interest income and similar revenues". The gross book value is equal to the first-time recognition value:

- less principal repayments;
- less/plus amortisation – calculated using the effective interest rate method – of the difference between the amount disbursed and the amount repayable upon maturity, typically attributable to the costs/income directly charged to each receivable.

The effective interest rate is identified by calculating the rate that equals the present value of future flows of the asset, in terms of principal and interest, to the amount disbursed including the costs/income related to the asset. The estimate of cash flows must take into account all contractual clauses that may affect amounts and maturities, without considering the expected losses on the asset. This accounting method, using a financial logic, makes it possible to distribute the economic effect of all transaction costs, commissions, premiums or discounts considered an integral part of the effective interest rate over the expected residual life of the asset. The amortised cost method is not used for short-

term receivables, for which the effect of applying a discounting approach is negligible, for loans without a defined maturity, and for revocation loans. For more details on amortised cost, please refer to the paragraph “amortised cost” included in the paragraph “Other significant accounting practices” below.

The book value of financial assets at amortised cost is adjusted to take into account any provision to cover expected losses (expected credit losses). For each reporting period, the aforementioned assets are subject to impairment testing with the aim of estimating expected losses in value for credit risk (ECL - Expected Credit Losses). These losses are recorded in the income statement under item “130 - Net impairment losses/reversals on credit risk”. If there is no reasonable expectation of recovery, the gross exposure is written-off: in this case, the gross exposure will be reduced by the amount deemed non-recoverable, as a balancing entry to the reversal of the provision to cover expected losses and impairment losses in the income statement, for the part not covered by the provision. For further details on the accounting treatment of “write-offs”, please refer to the following paragraph on “derecognition criteria”.

More specifically and as better explained in the paragraph “Use of estimates and assumptions when preparing financial statements - Methods for calculating impairment on IFRS 9 financial instruments”, the impairment model classifies the assets into three separate stages (stage 1, stage 2, stage 3), according to trends in the debtor’s creditworthiness, each of which has different criteria for measuring expected losses:

- stage 1: includes performing financial assets for which there has been no significant increase in credit risk with respect to the initial recognition date, or for which credit risk is considered low. Impairment is based on an estimate of expected loss over a one-year time horizon (expected loss that would result from default events on financial assets that are deemed possible within one year of the reference date);
- stage 2: includes performing financial assets that have undergone a significant deterioration in credit risk with respect to initial recognition. Impairment is measured as the estimated expected loss with reference to a timespan equal to the residual life of the financial asset;
- stage 3: represents non-performing financial assets (probability of default equal to 100%), to be assessed based on an estimate of expected loss over instrument’s life.

For performing assets, expected losses are determined according to a collective process based on certain risk parameters represented by the probability of default (PD), the loss rate in the event of default (LGD, Loss Given Default) and the exposure value (EAD, Exposure At Default) deriving from internal models for the calculation of regulatory credit risk, appropriately adjusted in order to take into account the specific requirements envisaged by accounting regulations.

For non-performing assets, i.e., assets for which, in addition to a significant increase in credit risk, objective evidence of impairment has been found, impairment losses are quantified based on an analytical or lump-sum measurement process by homogeneous risk categories, aimed at determining the present value of expected future recoverable cash flows, discounted using the original effective interest rate or a reasonable approximation thereof, if the original interest rate cannot be directly determined.

The non-performing asset category includes exposures assigned with the status of bad loan, unlikely to pay, or past-due/overdrawn for more than ninety days, in accordance with the definitions established by supervisory regulations in effect (Bank of Italy Circular no. 272 “Accounts Matrix”) and referred to in Bank of Italy Circular no. 262, as these definitions are deemed consistent with accounting regulations envisaged in IFRS 9 for objective evidence of impairment.

In the event of sale scenarios, the cash flows are calculated based not only on the forecast of the recoverable amounts through internal management activity, but also on the basis of the flows that can be obtained from any sale on the market, according to the approach described in the subsequent paragraph “Use of estimates and assumptions when preparing financial statements - Methods for calculating impairment on IFRS 9 financial instruments”.

In addition, the expected cash flows include forecasts for collection timing and the realisable value of any guarantees as well as the costs connected with obtaining and selling the guarantee. In this regard, in the event that the Group uses a third party to collect non-performing loans, the fees paid to the outsourcer for activities strictly related to collection are considered for the purpose of estimating impairment losses. These costs are considered for both non-performing and performing exposures, if for the latter it is probable that in the event of a transfer to bad loans, the collection activities will be assigned to third parties.

For fixed-rate positions, the original effective rate used to discount the expected cash flows from collection, calculated as described above, remains unchanged over time even if there is a change in the contractual rate due to the debtor’s financial difficulties. For floating-rate positions, the rate used to discount cash flows is updated for the indexing parameter (e.g., Euribor), while keeping the fixed spread at the original level.

The financial asset’s original value is restored in subsequent financial years when there is an improvement in the exposure’s creditworthiness compared to that which had led to the previous write-down. The reversal is posted to the

same item in the income statement ("130 - Net impairment losses/reversals on credit risk") and may not, in any case, exceed the amortised cost that the asset would have had without prior adjustments. For more detailed information on the impairment model, please refer to the subsequent paragraph "Use of estimates and assumptions when preparing financial statements - Methods for calculating impairment on IFRS 9 financial instruments".

For non-performing exposures, accrued interest is calculated based on amortised cost, i.e., using the value of the exposure - calculated with the effective interest rate - adjusted for expected losses. In case of management of non-performing exposures, or of transfer from stage 3 to stage 2 or stage 1, interest will once again be calculated based on the gross exposure value; the positive difference is recognised, as the recovery of previous impairment losses, as an offsetting entry to item "130. Net impairment losses/reversals on credit risk". The same accounting entry is made in the event that the interest collected is greater than the expected cash flows.

Finally, for non-performing exposures that do not accrue contractual interest, such as bad loans, this interest corresponds to the progressive release of the discounting of collection forecasts, as the effect of the simple passage of time.

d) derecognition criteria

Financial assets are subject to derecognition when: (i) the contractual rights to the cash flows arising therefrom have expired, or when (ii) the financial assets are sold with the substantial transfer of all risks and benefits resulting from the ownership. However, if a relevant portion of the risks and benefits associated with disposed financial receivables have been maintained, they continue to be posted in the financial statements, even if legal ownership of the asset has been effectively transferred.

If it is not possible to ascertain a substantial transfer of risks and benefits, the financial assets are derecognised when control of the assets has been surrendered. Conversely, if such control has been maintained, even partly, the assets should continue to be recognised to the extent of residual involvement, as measured by the exposure to the changes in value of the assets disposed and to the changes in their cash flows.

Disposed financial assets are derecognised if the contractual rights to receive the cash flows are maintained and a contractual obligation is simultaneously undertaken to pay only said flows, without a significant delay, to third parties.

Finally, assets subject to substantial changes, as more fully described in the paragraph "Renegotiations", are derecognised.

With regard to non-performing financial assets, the asset may be derecognised following the acknowledgement of the non-recoverability of the exposure and the resulting closure of the collection process (definitive derecognition), and entails the reduction of the nominal value and of the gross book value of the loan. This case occurs when settlement agreements have been reached with the debtor that entail a reduction in the loan (resolution agreement) or in the presence of specific situations such as, for example:

- a judgement has been handed down by the court that declares the loan all or partially settled;
- the conclusion of bankruptcy or enforcement proceedings against both the principal debtors and guarantors;
- the conclusion of all possible judicial and extra-judicial actions for credit collection;
- the completion of a mortgage lien on an asset under guarantee, with the resulting derecognition of the loan guaranteed by the property under lien, in the absence of further specific guarantees or other actions that can be taken to recover the exposure.

These specific situations may result in a full or partial derecognition of the exposure but do not necessarily imply a waiver of the legal right to collect the loan.

In addition, non-performing financial assets may be derecognised following their "write-off", upon acknowledgement that there are no reasonable expectations of collection, while continuing with actions aimed at their recovery. This write-off is carried out in the financial year in which the loan, or part of it, is considered non-recoverable - despite not closing the legal procedure - and can take place before the legal actions taken against the debtor and guarantors for credit collection. It does not imply the waiver of the legal right to collect the loan and is made if the loan documentation contains reasonable financial information indicating that the debtor will be unable to repay the loan amount. In this case, the gross nominal value of the loan remains unchanged, but the gross book value is reduced by an amount equal to the amount to be written off, which may represent the full exposure or a portion of it. The write-off amount cannot be subjected to subsequent write-backs following an improvement in collection forecasts, rather only as the result of amounts effectively collected.

In the event of derecognition, the difference between the book value of the asset at the derecognition date and consideration received, inclusive of any assets received net of any liabilities assumed, must be recognised in the income

statement, under item “100. a) Profits/(Losses) from disposal or repurchase of: financial assets measured at amortised cost”.

e) reclassification criteria

According to the general rules established by IFRS 9 on reclassifying financial assets, reclassifications to other categories of financial assets are not permitted unless the entity changes its Business Model for managing financial assets. In these cases, which are expected to be highly infrequent, financial assets may be reclassified from the category 'measured at amortised cost' to one of the other two categories envisaged by IFRS 9 (financial assets measured at fair value through other comprehensive income or financial assets measured at fair value through profit or loss). The transfer value is represented by the fair value at the time of the reclassification and the effects of the reclassification apply prospectively from the reclassification date. Gains or losses resulting from the difference between the amortised cost of the financial asset and the associated fair value are booked to the income statement in the case of reclassification under “Financial assets measured at fair value through profit or loss” and, under equity, in the appropriate valuation reserve, in the case of the reclassification under “Financial assets measured at fair value through other comprehensive income”.

For more information on classification criteria for financial instruments, please refer to the section “Classification criteria for financial assets” below.

4 Hedging transactions

The Group availed itself of the possibility, envisaged on first-time application of IFRS 9, to continue to use all of the provisions of IAS 39 (carved out version endorsed by the European Commission) as regards hedge accounting for all types of hedge (both micro and macro hedges).

a) reclassification criteria - type of hedge

Risk-hedging transactions are aimed at offsetting any potential losses on a certain financial instrument or group of financial instruments that may arise from a specific risk should it occur. The following types of hedging are included:

- fair value hedges, which are intended to hedge the exposure to changes in fair value of a recognised asset or liability that are attributable to a particular risk. These include generic fair value hedges (macro-hedges) having the objective of reducing fluctuations in fair value due to interest rate risk, of a monetary amount, arising from a portfolio of financial assets and liabilities (including core deposits). Generic hedges cannot be used to cover net amounts resulting from the offsetting of assets and liabilities;
- cash flow hedges, which are intended to hedge the exposure from variability in future cash flows attributable to particular risks associated with a recognised asset or liability or a transaction that is deemed highly likely. This category also includes generic portfolio hedges;
- hedges of a net investment in a foreign operation, which refers to hedging the risks of an investment in a foreign operation denominated in a foreign currency.

Only instruments that involve a counterparty outside the Group can be designated as hedging instruments. Given the choice exercised by the Group of making use of the possibility to continue to fully apply the rules of IAS 39 to hedging relationships, it is not possible to recognise capital securities under Financial assets measured at fair value through other comprehensive income (FVOCI) as hedged for price or exchange risk, as these instruments do not impact the income statement, even in case of sale (other than for the dividends recognised in the financial statement).

b) recognition criteria

Financial hedging derivatives, just as for all derivatives, are initially recognised at fair value on the date the contract is stipulated and are classified, as a function of their positive or negative value, in the asset item “50. Hedging derivatives” or in the liability item “40. Hedging derivatives”.

A relationship qualifies as a hedge, and is represented in the accounts, if and only if all the following conditions are met:

- at the start of the hedge there is a formal designation and documentation of the hedging relationship, the company's objectives in managing the risk and the strategy in carrying out the hedge. This documentation includes the identification of the hedging instrument, the hedged item or transaction, the nature of the hedged risk and how the company assesses the effectiveness of the hedging instrument in offsetting the exposure to changes in the fair value of the hedged element or cash flows attributable to the hedged risk;
- the hedge is expected to be highly effective;

- the planned transaction subject to hedging, for cash flow hedges, is highly probable and presents an exposure to changes in cash flows that could affect the income statement;
- the effectiveness of the hedge can be reliably measured;
- the hedge is valued on the basis of a continuity criterion and is considered highly effective for all the reference financial years for which the hedge was designated.

Hedge effectiveness depends on the extent to which changes in the fair value or expected cash flows of the hedged item are offset by corresponding changes in the hedging instrument. Therefore, effectiveness is measured by comparing these changes, taking into account the intent pursued by the company at the time the hedge is put in place. Hedge effectiveness is achieved when the changes in *fair value* (or in cash flows) of the hedging instrument almost entirely offset (within the limits set by the 80-125% range) the changes in the hedged item attributable to the hedged risk component.

Effectiveness is assessed at year-end or at interim reporting dates by using:

- prospective tests, which justify the application of hedge accounting, as they demonstrate its expected effectiveness;
- retrospective tests, which show how effective the hedging relationship has been in the period under review (i.e. measure how far the actual results have deviated from a perfect hedge).

c) measurement criteria and revenue recognition criteria

Hedging derivatives are measured at fair value. In particular:

Fair value hedging

In the case of specific fair value hedging, the change in the fair value of the hedged element (for changes generated by the underlying risk factor) adjusts the book value of the hedged element and is immediately recognised, regardless of the category to which the hedged asset or liability belongs, along with the change in the fair value of the hedging instrument, in income statement item "90 - Net profit (loss) from hedging". Any difference, i.e. partial ineffectiveness of the hedging derivatives, reflects their net P&L impact.

If the hedging relationship is suspended, the hedged instrument, if not derecognised from financial statements, is returned to the original valuation criterion of the class to which it belongs. Specifically, for instruments measured at amortised cost, the cumulative revaluations/write-downs recognised as a result of changes in the *fair value* of the hedged risk are recognised in the income statement among interest income and expense over the residual life of the hedged item, based on the revision of the effective interest rate. If, however, upon termination of the hedge the hedged item is also derecognised from the financial statements (e.g. sale or early repayment), the portion of fair value not yet amortised is immediately recognised in the income statement under the item that includes the effect of derecognition of the instrument.

With regard to generic fair value hedging transactions (macro-hedges), changes in fair value of the hedged risk of assets and liabilities subject to hedging are recorded in the balance sheet, respectively, under item "60 - Change in value of macro-hedged financial assets" or "50 - Change in value of macro-hedged financial liabilities". The offsetting item for changes in value in both the hedged element and the hedging instrument, similar to specific fair value hedges, is item "90 - Net profit (loss) from hedging" in the income statement. In the event of termination of a generic fair value hedging relationship, the cumulative revaluations/write-downs recorded in the above-mentioned balance sheet items are recognised in the income statement under interest income or expense for the residual duration of the original hedging relationships, subject to verification that the prerequisites have been met.

Cash flow hedging

The changes in fair value of the hedging instrument are posted to a specific shareholders' equity reserve (item "120 - Valuation reserves") with reference to the effective portion of the hedge, while fair value changes of the hedging instrument that are not offset by changes in the hedged item's cash flows are posted to the income statement under item "90 - Net profit (loss) from hedging". If the cash flow hedge is no longer considered effective, or the hedging relationship is terminated, the total amount of profits or losses on the hedging instrument, recognised under "Valuation reserves", is recognised in the income statement only when the hedging transaction will take place or when it is no longer considered possible for the transaction to occur; in the latter circumstance, the profits or losses are transferred from the shareholders' equity item to the income statement item "90. Net profit (loss) from hedging".

Hedges of foreign currency investments

Hedges of foreign currency investments are accounted for similarly to cash flow hedges.

d) derecognition criteria

If the tests do not confirm hedge effectiveness, both retrospectively and prospectively, hedge accounting is discontinued as described above. In this circumstance, the hedging derivative contract is reclassified under “Financial assets measured at fair value through profit or loss” and in particular under financial assets held for trading.

In addition, the hedging relationship ceases when:

- the derivative expires, is extinguished or exercised;
- the hedged item is sold, expires, or is repaid;
- the hedge no longer fulfils the aforementioned hedge accounting requirements;
- the company revokes the designation of the hedging relationship.

As an exception to the provisions of IAS 39, discontinuing is not carried out following the updating of the documentation on the hedging relationship (due to the change in the hedged risk, the hedged underlying, the hedging derivative or the method for verifying the resilience of the hedge) in the event of changes necessary as a direct consequence of the Reform of the reference indices for the determination of interest rates (IBOR Reform) and carried out on an equivalent economic basis.

5 Equity investments**a) classification criteria**

This item includes equity interests held in associates or joint ventures, which are recognised in accordance with the equity method.

Companies subject to significant influence are considered associates. It is assumed that the company exercises significant influence in all cases in which it holds at least 20% of the voting rights (including “potential” voting rights) and, regardless of the interest held, if the company has the power to participate in management and financial decisions of the investee, by virtue of specific legal connections, such as shareholders’ agreements, with the purpose for the agreement’s participants to ensure representation in management bodies and to ensure management unity, without having control.

Entities are considered to be jointly controlled companies when control is shared between the Group and one or more other parties based on contracts or agreements of another nature, according to which financial and management decisions with strategic purposes are made through the unanimous consent of all parties that share control. This occurs when the voting rights and control of the economic activity of the investee are shared equally by Banca MPS and another entity. In addition, a joint investment is defined as an equity investment in which, even in the absence of an equal share of voting rights, the unanimous consent of all parties sharing control is required for the making of resolutions concerning the relevant activities.

For further information, please refer to section 7.6 “Key considerations and assumptions to determine the existence of joint control or significant influence” in Part B – “Assets” of these Notes to the financial statements.

b) recognition criteria

Initial recognition of financial assets classified in this category occurs on the settlement date, for a total value equal to the cost, including any goodwill paid at the time of acquisition, which is therefore not subject to independent and separate recognition.

c) measurement criteria and revenue recognition criteria

Equity investments are valued using the synthetic equity method. This method envisages that the initial book value is subsequently increased or decreased to reflect the Group’s share of the total profits and losses of the investee realised after the acquisition date as an offsetting entry to the income statement item “250 - Gains (losses) on investments”.

If it becomes necessary to recognise impairment deriving from changes in the investee’s shareholders’ equity that the investee has not recognised in the income statement (e.g., changes from the fair value measurement of financial assets measured at fair value through other comprehensive income and from the measurement of actuarial gains/losses on defined benefit plans), the portion of these changes attributable to the Group is recognised directly in the equity item “120 - Valuation reserves”.

In applying the equity method, the most recent available financial statements of the associate/jointly controlled company are used, appropriately adjusted to reflect any significant events or transactions that took place between the date of these financial statements and the reporting date. If the investee uses accounting standards that differ from those applied by the Group, the investee’s financial statements are modified.

After applying the equity method, the equity investment is subject to an impairment test if there is objective evidence of a loss in value that could affect the investee's cash flows and therefore the recoverability of the investment's carrying amount.

If evidence of impairment indicates that there may have been a loss in value of an equity investment, then the recoverable value of the equity investment (which is the higher of the fair value, less costs to sell, and the value in use) should be estimated. The value in use is the present value of the future cash flows expected to be derived from the equity investment, including those arising from its final disposal. Should the recoverable value be less than its book value, including any goodwill, the difference is recognised immediately in the income statement under item "250 - Gains (losses) on investments". Should the reasons for impairment no longer apply as a result of an event occurring after the impairment was recognised, reversals of impairment losses are charged to the same item in the income statement, up to the amount of the previously recognised impairment.

For more detailed information, please refer to the paragraph "Use of estimates and assumptions when preparing financial statements - Methods for calculating impairment on equity investments".

The dividends from these equity investments are recognised in the Parent Company's income statement, regardless of whether it was generated by the investee before or after the acquisition date. In the consolidated financial statements, these dividends are shown as a reduction in the book value of the investee.

The result of the disposal of equity investments measured according to the equity method is recognised in the income statement under item "250 - Gains (losses) on investments", while the result of the disposal of equity investments other than those measured at equity is recognised in the income statement under item "280 - Gains (losses) on disposals of investments".

d) derecognition criteria

Equity investments are derecognised upon maturity of the contractual rights on the cash flows resulting from the assets or when all related risks/benefits associated to them are transferred. If there is a situation that results in loss of significant influence or of joint control, any residual equity investment is reclassified in the IFRS 9 financial asset portfolios. The derecognition of the item "70. Equity investments" may also occur in the presence of circumstances leading to achieving a situation of control. For further details, please refer to the information provided in the section "16 - Other Information, Business Combinations" below.

6 Property, plant and equipment

a) classification criteria

Property, plant and equipment include land, properties for business use, investment properties, systems, furnishings and fixtures, equipment of any type and artworks.

Operating properties are properties owned by the Group and used in the production or supply of goods and services or for administrative purposes (classified as "Property, plant and equipment used in the business" and recognised in accordance with IAS 16), whereas investment properties are those owned by the Group for the purpose of collecting rents and/or held for appreciation of capital invested (classified as "Property, plant and equipment held for investment" and follow the rules set forth in IAS 40).

This item also includes property, plant and equipment classified according to IAS 2 "Inventories", which mainly relate to assets arising from the enforcement of guarantees or from the purchase at auction that the company intends to sell in the near future, without carrying out significant restructuring work, and which do not qualify for classification in the previous categories.

Property, plant and equipment includes those assets associated with finance lease contracts that were returned to the company, as lessor, following contract termination and the simultaneous closure of the original credit position.

This category also includes i) rights of use acquired through leasing, both financial and operating, relating to property, plant and equipment that the Group uses as lessee in the business or for investment purposes, ii) assets granted under operating leases (for lessors), as well as iii) improvements and incremental expenses incurred on owned assets and third-party assets, the latter provided they are identifiable and separable (e.g. ATM).

b) recognition criteria

Property, plant and equipment are originally recognised at cost, which includes the purchase price and any additional charges directly attributable to the purchase and installation of the assets.

Non-recurring expenditures for maintenance which involve an increase in future economic benefits are booked as an increase in the value of the assets, while expenses for ordinary maintenance are booked to the income statement.

c) measurement criteria and revenue recognition criteria

Subsequent to initial recognition, property, plant and equipment for business use are valued at cost, as defined above, net of cumulative depreciation and any cumulative impairment, with the exception of:

- real estate used in the business for which the Group has adopted the option allowed by IAS 16, to measure them on the basis of the revaluation method;
- properties held for investment purposes, for which the Group has adopted the option, permitted by IAS 40, of measuring them on the basis of the fair value method;
- property, plant and equipment falling under IAS 2 are valued at the lower of the cost and the net realisable value, represented by the estimated sale price less the presumed costs for completion and the other costs necessary to make the sale.

The revaluation method requires that assets be carried at a restated amount, equal to the fair value at the date of revaluation, less any accumulated depreciation and value adjustments. More specifically:

- if the carrying amount has increased following a revaluation, the increase is recognised with an offsetting entry in liability item "120 - Valuation reserves", with the exception of write-backs of previous impairment recognised in the income statement. In this case the increase is recognised in the income statement in item "260 - Net gains (losses) on property, plant and equipment and intangible assets measured at fair value" within the limits of the above-mentioned impairment;
- if the carrying amount of an asset has decreased following a revaluation, the decrease is recognised in the income statement in item "260 - Net gains (losses) on property, plant and equipment and intangible assets measured at fair value" unless the asset has been subject to a previous revaluation, in which case the impairment is recognised as a reduction of the liability item "120 - Valuation reserves", for up to its total amount.

The Group revalues the properties held for business use every six months, using appraisal reports prepared by independent experts.

Property, plant and equipment held for business use, including operating properties measured at the "restated value", are systematically depreciated over their useful life. The depreciable amount, equal to cost (or the net revalued value, if the revaluation method is adopted for valuation purposes) less the residual value (or the amount normally expected to be obtained from disposal, after deducting expected costs to sell, if the asset is already in the conditions, including in relation to age, expected at the end of its useful life), is broken down on a straight-line basis throughout the useful life of the asset, adopting the straight-line approach as the depreciation method. The useful life, subject to periodic review to identify any estimates significantly different from the previous ones, is defined as:

- the period of time in which it is expected that an asset will be usable by the company or,
- the quantity of products or similar units that the company expects to obtain from the use of the asset.

Depreciation begins when the asset is available for use and ends at the most recent date between that on which the asset is classified as held for sale and that of derecognition. For property, plant and equipment valued at cost, depreciation does not end when the asset becomes unused or is withdrawn from active use, unless the asset has already been fully depreciated. If a property for business use becomes unusable or is withdrawn from active use, it is necessary to promptly evaluate the change in the intended use and the resulting reclassification to property held for investment purposes or assets held for sale. In these cases, depreciation is discontinued.

The following are not amortised:

- land, either on its own or included in the property value, is not subject to depreciation as it has an indefinite useful life;
- works of art as their value is generally bound to increase over time;
- investment properties, as required by IAS 40, which are measured at fair value with a balancing entry in the Income Statement and therefore must not be depreciated;
- property, plant and equipment recognised in accordance with IAS 2.

For leasehold improvements, represented by identifiable and separable property, plant and equipment, depreciation is determined according to the useful life of these assets.

Periodic depreciation is posted to the income statement under item "210 - Net Value Adjustments/recoveries on Property, Plant and Equipment".

The presence of any signs of impairment, or indications that assets might have lost value, shall be tested at the end of each reporting period. Should there be indications of impairment, for properties that are owned, with the exception of

investment property, and those that are leased, a comparison is made between the carrying amount of the asset and the asset's recoverable value, i.e. the higher of the fair value, less any costs to sell, and the relevant value in use, which is the present value of the future cash flows generated by the asset.

Where the reasons for impairment cease to exist, a reversal is made, which shall not exceed the value that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior periods.

Under the fair value method, used for property investments, the positive or negative change in fair value is recognised in the Income Statement in item "260 - Net gains (losses) on property, plant and equipment and intangible assets measured at fair value". For the measurement of the fair value of the property assets in question, a fair value estimation process is carried out at least half-yearly.

For the methods used to measure the fair value and the periodicity of recalculation of real estate assets, please refer to the criteria illustrated in "Part A.4 - Information on fair value" below.

Property, plant and equipment falling under IAS 2 are valued in the same way as inventories and, therefore, at the lower of the cost at initial recognition and the net realisable value, represented by the estimated sale price less the presumed costs for completion and the other costs necessary to make the sale. Any losses in value are posted to the income statement under item "210 - Net Value Adjustments/recoveries on Property, Plant and Equipment".

Property, plant and equipment represented by the right of use of assets under lease agreements.

Pursuant to IFRS 16, a "lease" is a contract, or part of a contract, which, in exchange for a consideration, transfers the right of use (RoU) of an asset (the underlying asset) for a period of time.

The right-of-use asset acquired through the lease is recognised in the financial statements at the start date of the contract, i.e. at the date on which the asset is made available to the lessee and is initially valued at cost. This cost includes:

- the initial measurement of the lease liability, net of VAT;
- any lease payments made by the start date, net of any lease incentives;
- any initial direct costs incurred, understood as incremental costs incurred to obtain the lease that would not have otherwise been incurred (e.g. brokerage commissions and success fees);
- estimated costs of refurbishment and dismantling, in cases where the contract provides for them.

In connection with the right of use asset, the lessee recognises a liability for the lease under item "10 - Financial liabilities measured at amortised cost" corresponding to the present value of payments due for the lease. The discount rate used is the implicit interest rate, if it can be determined; otherwise, the lessee's marginal borrowing rate is used. When there is no implicit interest rate in the contract, the Group uses, as the discount rate, the maturity curve aligned to the individual lease agreements, consisting of the 6M Euribor base rate and the blended funding spread, the latter equal to the weighted average of the funding curves for unsecured senior bonds and for protected and privileged deposits. The adoption of this curve is in line with the characteristics of leasing agreements, which typically provide for fixed rental fees throughout the duration of the contract, and of the underlying assets. The discount rate so defined takes into account the creditworthiness of the tenant, the duration of the lease, the asset underlying the right of use and the economic environment, identified in the Italian market, where the transaction takes place and therefore it is in line with the requirements of the standard.

The lessee may opt to recognise the payments due for the lease directly as a charge in the income statement, on a straight-line basis over the life of the lease agreement or according to another systematic method that represents the manner in which the economic benefits are used in the case of:

- short-term leases (equal to or less than 12 months) that do not include a purchase option of the asset leased by the lessee;
- leases in which the underlying asset is of modest value⁹⁵.

The MPS Group has chosen to recognise the cost in the income statement on a straight-line basis over the life of the lease contract.

The lease term is determined taking into account:

- periods covered by an option to extend the lease, if the exercise of the same is reasonably certain;
- periods covered by a lease termination option, if the exercise of said option is reasonably certain.

⁹⁵ The significance threshold identified is EUR 5,000.

During the term of the lease, the lessee must:

- measure the right of use at cost, net of accumulated amortisation⁹⁶ and cumulative value adjustments determined and recognised on the basis of the provisions of IAS 36 "Impairment of assets", adjusted to take into account any restatements of the lease liabilities;
- increase the liability deriving from the lease transaction following the accrual of interest expense calculated at the implicit interest rate of the lease, or, alternatively, at the marginal borrowing rate and reduce it for payments of principal and interest.

In the event of changes in the payments due for the lease, the liability must be restated; the impact of the recalculation of the liability is recognised as a contra-entry to the asset consisting of the right of use.

d) derecognition criteria

Property, plant and equipment are derecognised from the balance sheet upon their disposal or when the assets are permanently withdrawn from use and no future economic benefits are expected as a result of their disposal.

Any gains and losses deriving from the disposal or sale of property, plant and equipment are calculated as the difference between the net sale price and the book value of the asset and are recognised in the income statement under item "280 - Gains (losses) on disposals of investments".

In the case of the sale of a property for business use, the corresponding valuation reserve accrued is transferred to other components of Shareholders' equity, specifically liability item "150 - Reserves", with no reversal to profit or loss.

The right of use assets, accounted for according to IFRS 16, are derecognised at the end of the lease term.

7 Intangible assets

a) classification criteria

Intangible assets are non-monetary assets, identifiable and without physical substance, originating from legal or contractual rights, held for use over a multi-year or indefinite period, from which it is probable that future economic benefits will flow and whose cost can be reliably measured.

Intangible assets include:

- technology-related intangible assets including software licenses, internal capitalised costs, projects and licenses under development; in particular, internally incurred costs for software project development are intangibles recognised as assets if, and only if: a) the cost for development can be measured reliably, b) the entity intends and is financially and technically able to complete the intangible asset and either use it or sell it, c) the entity is able to demonstrate that the asset will generate future economic rewards. Capitalised costs for software development only include the expenses that are directly attributable to the development process.
- Customer relationship intangible assets, represented by the value of assets under management/custody and core deposits in the event of business combinations;
- goodwill, equal to the positive difference between the consideration paid for a business combination and the fair value of the assets and liabilities pertaining to an acquired company, as best specified in paragraph "16 – Other information, Business combinations".

b) recognition criteria

They are recognised at cost, adjusted by any additional charges only if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and if the cost of the asset can be measured reliably. The cost of intangible assets is otherwise posted to the income statement in the financial period it was incurred.

c) measurement criteria and revenue recognition criteria

The cost of intangible assets with a finite useful life is amortised on a straight-line basis over their useful life. In particular, for intangible assets originating from software developed internally and acquired from third parties, amortisation begins when the applications are completed and become operational. Instead, intangible assets with indefinite useful life are not amortised but the book value is periodically assessed for impairment.

⁹⁶ In determining the amortisation period, account must be taken of whether or not the transfer of ownership of the underlying asset is envisaged at the end of the lease term or whether the cost of the asset consisting of the right of use reflects the fact that or not that the lessee will exercise the purchase option. In the first case, the amortisation period coincides with the useful life of the underlying asset, determined at the start date. In the second case, the amortisation period coincides with the useful life of the asset consisting of the right of use or, if shorter, the duration of the lease.

At each annual and interim reporting date, the recoverable amount of the assets is estimated where there is evidence of impairment. The amount of the loss recognised in the income statement is equal to the difference between the book value and the recoverable amount of the assets.

The goodwill recognised is not subject to amortisation, but its book value is tested annually (or more frequently) when there are signs of impairment. To this end, the cash flow generating units to which goodwill is attributable are identified. These units represent the lowest level at which goodwill is monitored for internal management purposes and should not be larger than an operating segment as defined by IFRS 8.

The amount of the impairment loss is determined by the difference between the book value of goodwill and its recoverable amount, if lower. Said recoverable amount is the higher of the cash generating unit's fair value, less costs to sell, and its value in use. Value in use is the present value of future cash flows expected to arise from the years of operation of the cash generating unit and its disposal at the end of its useful life. The resulting value adjustments are posted to the income statement under item "220 - Net value adjustments to (recoveries on) intangible assets". The same item includes the periodic amortisation of intangible assets with a finite useful life. An impairment loss recognised for goodwill shall not be reversed in a subsequent period.

d) derecognition criteria

Intangible assets are derecognised from the balance sheet upon disposal and when no future economic benefits are expected.

8 Non-current assets held for sale and disposal groups

a) classification criteria

Non-current assets/liabilities and groups of assets/liabilities for which the book value will presumably be recovered through sale rather than continuous use are classified in assets under item "120 - Non-current assets held for sale and disposal groups" and in liabilities under item "70 - Liabilities associated with disposal groups".

To be classified in these items, the assets or liabilities (or disposal groups) must be immediately available for sale and there must be active and tangible programmes such as to suggest that their disposal is highly probable within one year of the date of classification in this category.

b) measurement criteria and revenue recognition criteria

Following initial recognition, non-current assets held for sale and disposal groups, with the relative liabilities, are valued at the lower of the book value and the fair value net of selling costs, with the exception of certain types of assets, such as, for example, all financial instruments falling under the scope of IFRS 9 - for which IFRS 5 specifically envisages that the measurement criterion of the reference accounting standard must be applied.

Amortisation/depreciation is discontinued at the date the non-current asset is classified as a non-current asset held for sale.

Should the assets and liabilities held for disposal be attributable to disposal group (identifiable with the operations of a significant independent business unit or geographical area, also as part of a single coordinate disposal project, rather than an investee company acquired exclusively for resale), the relative revenues and charges, net of tax, are recognised in the income statement under item "320 - Profit (Loss) after tax from discontinued operations" of the income statement. Profit and loss associated with individual assets under disposal are recognised in the most appropriate income statement item.

c) derecognition criteria

Non-current assets and group of assets/liabilities held for sale and disposal groups are derecognised from the balance sheet upon disposal.

9 Current and deferred tax

a) recognition criteria

The effects of current and deferred taxation calculated in compliance with Italian tax laws are recognised on an accrual basis, in accordance with the measurement methods of the income and expenses which generated them, by administering the applicable tax rates.

Income taxes are posted to the income statement, excluding those relating to items directly credited or charged to equity.

Income tax provisions are determined on the basis of a prudential forecast of current tax expense, deferred tax assets and liabilities.

Current tax includes the net balance of current tax liabilities for the financial year and current tax assets with the Financial Administration, comprising tax advances, tax credit arising from prior tax returns and other withholding tax credits. In addition, current tax includes tax credits for which reimbursement has been requested from the relevant tax authorities. Tax credits transferred as a guarantee of own debts shall also be recorded within this scope.

Deferred tax assets and liabilities are determined on the basis of the temporary differences – with no time limits – between the value assigned to the assets or liabilities in accordance with statutory principles and the corresponding values for tax purposes, applying the balance sheet liability method. It should be noted that the Group has not recognised and does not provide information on deferred tax assets and liabilities relating to Pillar 2 income taxes published by the Organization for Economic Co-operation and Development (OECD), as stated in paragraph 4A of IAS 12.

Deferred tax assets determined on the basis of deductible temporary differences are recognised in financial statements or interim disclosures for the extent to which they are likely to be recovered on the basis of the capacity of the company involved or all of the participating companies – as a result of exercising the option concerning “Tax consolidation” – to generate a positive taxable profit on an ongoing basis, in light of a probability test.

The probability of the recovery of deferred taxes relative to goodwill, other intangible assets and write-downs on loans (known as “convertible DTAs”) is to be automatically considered probable because of existing regulations that provide for conversion into tax credits, if a statutory and/or tax loss is incurred.

In particular, art. 2 - paragraphs 55 et seq. - of Italian Law Decree no. 225 of 29 December 2010 (and subsequent amendments) provides that:

- if the financial statements filed by the company show a statutory loss for the year, deferred tax assets (IRES and IRAP) relating to goodwill, other intangible assets, and loan write-downs will be converted into tax credits for a portion equivalent to the ratio between the statutory loss and the book value of shareholders' equity prior to said loss. The conversion into tax credits becomes effective from the date when the 'loss-incurring' separate financial statements are approved by the Shareholders' Meeting;
- if there is a tax loss for the year (that is, for IRAP purposes, a negative production value), the deferred tax asset relating to the deductions for goodwill, other intangible assets, and loan write-downs, which contributed to the formation of the tax loss (i.e., the negative production value) is transformed into a tax credit. Conversion will be effective as of the date of submission of the tax return for the financial year in which the loss is incurred.

As a result of the provisions contained in Italian Law Decree no. 83 of 27 June 2015, the convertible DTAs ceased to increase starting from 2016. In particular:

1. in particular: for deferred tax assets relating to goodwill, other newly recognised intangible assets, recognised in the financial statements from 2016 onwards, exclusion from the provisions under Article 2 – paragraphs 55 et seq. – of Decree-Law 225/2010 was provided;
2. for deferred tax assets relating to loan write-downs, from 2016 onwards the accounting prerequisite for recognition in the financial statements ceased to apply, as such write-downs became fully deductible in the year in which they are recognised. Note that the 2019 financial manoeuvre (Law no. 145 of 30 December 2018) repealed the full deductibility of loan write-downs upon first-time application of IFRS 9, exclusively following the adoption of the model for recognising the provision to cover expected losses (ECL), providing for the deductibility (IRES and IRAP) of these write-downs on a straight-line basis over 10 years. It was, however, explicitly stated that the relative DTAs recorded in financial statements as a result, although referring to write-downs on loans to customers, cannot be converted into tax credits pursuant to Italian Law Decree 225/2010.

Furthermore, note that the MPS Group exercised the irrevocable option provided in Italian Decree-Law no. 59 of 3 May 2016 (and subsequent amendments) to maintain the right to convert DTAs relative to goodwill, other intangible assets,

and loan write-downs and losses into tax credits; thus, it is necessary to pay an annual fee for each financial year from 2016 onwards, if the conditions apply, until 2030.

Deferred tax assets on unused tax losses are recognised based on the same criteria as those used to recognise deferred tax assets on deductible temporary differences: therefore, they are shown in the balance sheet to the extent to which they are likely to be recovered on the basis of the capacity of the company to generate a positive taxable profit in the future. Since the existence of unused tax losses may be symptomatic of difficulties to generate positive taxable profit in the future, IAS 12 establishes that if losses have been posted in recent periods, suitable evidence must be provided to support the existence of such profit in the future. Furthermore, current Italian tax law allows for IRES losses to be carried forward indefinitely (art. 84, paragraph 1, TUIR); as a result, verifying the existence of future taxable profit against which to use such losses is not subject to any time limits.

As mentioned above, the Group verifies the probability that there will be future taxable income (probability test) using the risk-adjusted approach, which provides for the application of a discount factor to future income. This factor, applied with the compound interest criterion, discounts future income at an increasing rate to reflect its uncertainty. For more details on the assessments made by the Group to verify the possibility of recognising deferred tax assets, please refer to the subsequent paragraph "Use of estimates and assumptions when preparing financial statements - Methods for recognising deferred tax assets (probability test)".

Deferred tax assets and liabilities are calculated using the tax rates expected at the date on which the temporary differences are reversed, on the basis of the provisions in force at the reporting date. Any changes in tax rates or tax standards having a significant effect on deferred tax assets and liabilities that are issued or announced after the reporting date and before the publication authorisation date are treated as events after the balance sheet date that do not entail an adjustment pursuant to IAS 10, with the resulting disclosure in the notes.

Deferred tax assets and liabilities are posted to the balance sheet by offsetting each tax against the defined asset or liability to which it relates.

b) classification and measurement criteria

Deferred tax assets and liabilities are systematically measured to take account of any changes in regulations or tax rates and of any different subjective situations of Group companies.

With reference to fiscal consolidation of the Parent Company and participating subsidiaries, contracts have been stipulated to regulate offsetting flows in relation to the transfers of tax profits and losses. Such flows are determined by administering the applicable IRES tax rate to the taxable income of participating companies. The offsetting flow for companies that transfer tax losses – calculated as above – is posted by the consolidating to the consolidated company when and to the extent to which the consolidated company will transfer positive taxable income in tax periods subsequent to that in which the loss was recorded. Offsetting flows so determined are posted as receivables and payables with companies participating in fiscal consolidation, classified under other assets and other liabilities, offsetting item "300 - Tax expense (recovery) on income from continuing operations".

c) revenue recognition criteria

Where deferred tax assets and liabilities refer to components which affected the income statement, they are offset by income tax. When deferred tax assets and liabilities refer to transactions which directly affected equity without impacting the income statement (e.g. measurement of financial instruments at fair value through other comprehensive income or cash flow hedging derivatives), they are posted as an offsetting entry to shareholders' equity, involving the special reserves if required.

10 Provisions for risks and charges

Provisions for risks and charges: commitments and guarantees given

The sub-item in question includes provisions for credit risk on commitments to disburse funds and guarantees given that fall under the scope of application of the impairment rules pursuant to IFRS 9, consistent with the provisions for "Financial assets measured at amortised cost" and "Financial assets measured at fair value through other comprehensive income". For more detailed information on the impairment model, please refer to the subsequent

paragraph “Use of estimates and assumptions when preparing financial statements - Methods for calculating impairment on IFRS 9 financial instruments”.

In addition, the sub-item also includes provisions for risks and charges established for other types of commitments and guarantees given which, by virtue of their distinct characteristics, do not fall under the scope of application of the impairment rules pursuant to IFRS 9.

Provisions for risks and charges: post-employment benefits

The sub-item “Provision for risks and charges: b) post-employment benefits” includes appropriations, recognised based on IAS 19 “Employee Benefits”, for the purpose of closing the technical deficit of defined benefit supplementary pension funds. Pension plans are either defined benefit or defined contribution schemes. The charges borne by the employer for defined contribution schemes are pre-determined; charges for defined benefit plans are estimated and shall take account of any shortfall in contributions or poor investment performance of defined benefit plan assets. For defined benefit plans, the actuarial values are determined by an external actuary in accordance with the Projected Unit Credit method. Actuarial gains and losses – defined as the difference between the book value of the liability and the present value of commitments at the end of the financial year – were the result of changes made to actuarial assumptions and adjustments based on past experience, and are recognised for the full amount in the statement of comprehensive income, under the item “Valuation reserves”. For further details, please refer to the following paragraph “16 - Other information - Severance pay and other employee benefits”.

Provisions for risks and charges: other provisions

The sub-item “Provisions for risks and charges: c) other provisions” includes allocations made for estimated expenditures for legal or implicit obligations deriving from past events. These expenditures may be contractual in nature, such as the allocations for the incentive system for employees and leaving incentives, indemnities envisaged in contractual clauses upon occurrence of certain events, or for compensation and/or restitution, such as those against presumed losses for actions filed against the Bank, including claw-back actions, estimated expenses in relation to customer claims for securities brokerage, and tax disputes.

The sub-item also includes provisions established at the starting date of lease agreements, stipulated as lessee, which require the dismantling/refurbishment of the underlying assets at the end of the contract. These provisions are recognised as a contra-entry of the assets recognised for the value of rights of use of properties (see item “90 - Property, plant and equipment”).

Provisions for risks and charges consist of liabilities with uncertain amounts or payment dates and are recognised in the financial statements if:

- there is a current (legal or implicit) obligation resulting from a past event;
- an outflow of resources producing economic benefits is likely to be necessary in order to settle the obligation; and
- a reliable estimate can be made of the likely future disbursement.

The amount recognised as a provision represents the best estimate of the financial disbursement necessary to fulfil the obligation existing at the reporting date and reflects the risks and uncertainties inherent in the events and situations reviewed. Whenever the time element is meaningful, the provisions are discounted using the current market rates. With the exception of provisions associated with lease agreements, the allocation and discounting effect are recorded in the income statement under item “200 - Net provisions for risks and charges”, as is the increase in the provision due to the passage of time. Provisions are reviewed at each reporting date and adjusted to reflect the best current estimate. When an outflow of resources, intended to produce economic benefits in fulfilment of an obligation, becomes unlikely or when the obligation has lapsed, the provision is reversed.

In addition, each provision is used solely for the expenditures for which it was originally established.

No provision is shown for contingent and unlikely liabilities, but information is provided in the notes to the financial statements, except in cases where the probability of an outflow of resources to settle the amount is remote or the amount is not significant.

In particular, it should be noted that the provisions relating to:

- civil and criminal disputes arising from financial information disclosed in the period 2008-2015 are determined as the weighted average of two estimates prepared by external experts:

- 1) the “differential damage” criterion, which identifies the damage as the lowest price that the investor would have had to pay if he had access to complete and correct information;
 - 2) the “full compensation criterion”, which is based on the argument that false or incomplete information may have a causal impact on the consumer’s choice of investments such that, in the presence of correct information, they would not have *tout court* made the investment in question. On the basis of this argument, the refundable damage is deemed to be the entire amount invested, after deduction of (a) the residual value of the security (or the amount obtained from the sale of the security), as well as (b) an additional amount that the investor could have obtained from the sale of the securities as soon as parity of information had been re-established;
- out-of-court claims relating to the period 2008-2015, in order to take into account the probability of their transformation into real disputes, the funds were determined by applying an experiential factor to requests made by counterparties;
 - Representations and guarantees issued in connection with the transfer and demerger of non-performing loans are determined on the basis of the analysis of the validity of the claims received, or, in the absence of suitable elements to make a sufficiently reliable estimate, using a statistical method. In the second case, the estimate is based on the results of a representative sample of exposures transferred/demerged with respect to which the competent functions analytically evaluate the compliance or compliance risk for each of the representations and guarantees released; in the context of this estimate the sample to be analysed and whose results are extrapolated to the entire population is identified.

11 Financial liabilities measured at amortised cost

a) classification criteria

Item “10 - Financial liabilities measured at amortised cost” includes the sub-items “a) due to banks”, “b) due to customers”, and “c) debt securities issued” and comprises the various types of funding (both interbank and from customers) and funds raised through certificates of deposit and outstanding bonds, net of any repurchase. Debt securities issued include all securities that are not subject to “natural” hedging through derivatives and that are classified as liabilities measured at fair value.

This item also incorporates payables booked by the lessee in relation to any stipulated finance and operating lease transactions, as well as repurchase agreements for funding and securities lent against cash guarantees that are fully available to the lender. Finally, operating payables related to the provision of financial services, as defined in the Consolidated Banking Law and Consolidated Law on Finance, are included in this item.

b) recognition criteria

These financial liabilities are initially recognised upon receipt of the amounts collected or at the time of issuance of debt securities based on their fair value, which is generally equal to the amount received or the issue price, increased by any additional costs/income directly attributable to the individual funding or issuing transaction and not reimbursed by the creditors. Internal administrative expenses are excluded.

Repurchase agreement transactions with the obligation to repurchase are posted as funding transactions for the spot amounts collected.

Should the requirements provided for by IFRS 9 for the separate recognition of embedded derivatives be met in the case of structured instruments, they are separated from the host contract and reported at fair value as a trading asset or liability. Instead, the host contract is recognised at amortised cost.

Lease liabilities recognised in relation to the lessor are measured at the present value of future lease payments for the duration of the lease. For more information on determining the duration, please refer to paragraph 6 “Property, plant and equipment represented by the right of use of assets under lease contracts”.

c) measurement criteria and revenue recognition criteria

Following initial recognition, financial liabilities issued, net of any reimbursements and/or repurchases, are measured at amortised cost using the effective interest rate method. Short-term liabilities for which time effect is immaterial are an exception, and are recognised at the amount collected. Interest is charged to the income statement under item “20 - Interest expense and similar charges”.

Following the commencement date, the book value of lease liabilities:

- increases for accrued interest expense, charged to the income statement under item “20 - Interest expense and similar charges”;
- decreases for lease instalment payments;

- is recalculated to take into account any new valuations (e.g., extension or reduction of the contract term) or changes in the lease (e.g., renegotiation of the lease payment) that occurred after the commencement date; the impact of the recalculation is recorded as a contra-entry of the asset for the right of use.

Moreover, funding instruments that have an effective hedging relationship are assessed based on the rules for hedging transactions.

d) derecognition criteria

Financial liabilities are derecognised upon maturity or extinction. Derecognition also occurs if previously issued securities have been repurchased. The difference between the book value of the liabilities and the amount paid to repurchase them is recorded in the income statement in item "100 - Gains (losses) on disposal or repurchase". A new placement in the market of own securities after their repurchase is considered a new issue and posted at the new price of placement, with no impact on the income statement.

12 Financial liabilities held for trading

a) classification criteria

This item includes:

- financial liabilities issued with the intention to repurchase them in the short term;
- liabilities that are part of a jointly managed portfolio of financial instruments for which there is a proven strategy to obtain profits in the short term;
- derivative contracts with a negative fair value and not designated as hedging instruments, including both those embedded in complex financial instruments that have been unbundled from liabilities measured at amortised cost, as well as those related to assets/liabilities measured at fair value through profit or loss.

Moreover, liabilities that arise from technical overdrafts generated by securities trading activities are included.

b) recognition criteria

Financial liabilities held for trading are initially recognised on the settlement date for cash liabilities and on the subscription date for derivative contracts.

Upon initial recognition, they are measured at fair value, which usually corresponds to the amount collected net of any transaction costs or income directly attributable to the instrument itself, which are directly posted to the income statement.

c) measurement criteria

After initial recognition, financial liabilities held for trading are measured at fair value, with the result of the measurement recognised in the income statement. For a description of criteria used to determine the fair value of financial instruments, please see Section "A.4.5 Fair Value Hierarchy" in Part A of these Notes to the financial statements.

d) revenue recognition criteria

Profit and losses from trading and capital gains and losses from valuation are recognised under item "80 - Net profit (loss) from trading" in the income statement, including those relating to derivative instruments related to the fair value option.

e) derecognition criteria

Trading financial liabilities are derecognised when the contractual rights on the related cash flows expire or when the financial liabilities are sold with the substantial transfer of all related risks and benefits arising from ownership.

13 Financial liabilities measured at fair value

a) classification criteria

This category includes financial liabilities for which, upon initial recognition, the option of measurement at fair value through profit or loss was chosen; this option is allowed when:

1. a lack of standardisation in the measurement or recognition that would otherwise result from the valuation of assets or liabilities or the recognition of the related profits and losses on different bases (known as "accounting mismatch") is eliminated or significantly reduced; or

2. the management and/or measurement of a group of financial instruments at fair value through profit or loss is consistent with an investment or risk management strategy documented as such by senior management; or
3. a host instrument embeds a derivative which significantly modifies the cash flows of the host and should otherwise be unbundled.

The option to designate a liability at fair value is irrevocable, is carried out on an individual financial instrument, and does not require the same application to all instruments having similar characteristics. It is not permitted to use the fair value designation for only one portion of a financial instrument, attributable to a single risk component to which the instrument is subject.

The Group exercised this option under case no. 1 above, classifying under this line item the financial liabilities subject to “natural hedging” through derivative instruments and through baskets of Italian bank securities. In Section 16 “Other information”, a specific paragraph is included to provide insight into the hedging management methods through the adoption of the fair value option.

b) recognition criteria

Upon initial recognition, these financial liabilities are measured at fair value, which usually corresponds to the amount collected net of any transaction costs or income directly attributable to the instrument itself, which are directly posted to the income statement.

c) measurement criteria and revenue recognition criteria

Following initial recognition, financial liabilities are measured at fair value. Gains and losses arising from any changes in the fair value of these liabilities are recognised:

- in item “120 - Valuation reserves”, for the portion related to the change in fair value that is attributable to changes in the issuer’s creditworthiness, unless this creates or increases an accounting mismatch in the profit (loss) for the year, in which case the entire change in fair value of the liability must be charged to the income statement. Effects associated with the change in own creditworthiness are recorded in the statement of comprehensive income, net of the related tax effect, along with the other income components that will not be reversed to the income statement. The amount charged to the specific equity reserve will never be reversed to the income statement, even if the liability expires or lapses; in this case, the cumulative gain (loss) in the specific valuation reserve must be reclassified to another shareholders’ equity item (“150 - Reserves”);
- in the income statement under item “110 - Net profit (loss) from financial assets and liabilities measured at fair value through profit or loss”, for the portion of the fair value change not attributable to changes in own creditworthiness.
- This accounting treatment is not applied where recognition of the effects of changes in the entity’s own credit risk in shareholders’ equity gives rise to or increases an accounting mismatch in profit or loss. In this case, gains or losses relating to the liability, including those arising as a result of changes in the entity’s own credit risk, must be recognised in profit or loss.

For a description of criteria used to determine the fair value of financial instruments, please see Section “A.4.5 Fair Value Hierarchy” in Part A of these Notes to the financial statements.

d) derecognition criteria

Financial liabilities are derecognised when the contractual rights on the related cash flows expire or when the financial liabilities are sold with the substantial transfer of all risks and benefits resulting from the ownership.

For financial liabilities represented by securities issued, derecognition also occurs if previously issued securities have been repurchased. The difference between the book value of liabilities and the amount paid to purchase them is recorded in the income statement under item “110 - Net profit (loss) from financial assets and liabilities measured at fair value through profit or loss”, with the exception of profits/losses associated with the change in own creditworthiness, which continues to be recognised in an equity reserve, as described above. A new placement in the market of own securities after their repurchase is considered a new issue for accounting purposes and posted at the new price of placement, with no impact on the income statement.

14 Foreign currency transactions

a) Definition

Foreign currency means a currency other than the entity’s functional currency; more specifically, this is the currency of the prevailing economy where the entity itself operates.

b) recognition criteria

Upon initial recognition, foreign currency transactions are recognised in the currency of account using the foreign exchange rates on the date of the transaction.

c) measurement, derecognition and revenue recognition criteria

Financial statement entries denominated in foreign currencies are valued at the end of each reporting period as follows:

- monetary entries are converted using the exchange rate on the closing date;
- non-monetary entries valued at historical cost are converted using the exchange rate on the date of the transaction;
- non-monetary entries that are measured at fair value in a foreign currency are translated at the closing date rate.

Any exchange-rate differences resulting from the settlement of monetary elements, or from the conversion of monetary elements at rates other than those used for initial conversion or conversion in the previous financial statements, are posted to the income statement for the period in which they arise.

When a profit or a loss on a non-monetary element is recognised in equity, the exchange-rate difference in relation to said element is also posted to equity. However, when a profit or a loss is posted to the income statement, the relative exchange-rate difference is also posted there.

The accounting position of foreign branches with different operating currencies is converted into euros by using the exchange rates at the reporting date. Any exchange rate differences attributable to investments in such foreign branches, and those resulting from the conversion into euros of their accounting position, are recognised in equity reserves and transferred to the income statement only in the financial year when the investment is disposed of or reduced.

15 Insurance assets and liabilities

a) Definition

An insurance contract is defined as a contract under which one party (the issuer) accepts “significant insurance risk” from another party (the policyholder), by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder.

b) classification criteria

Assets and liabilities that fall within the scope of IFRS 17 “Insurance Contracts” are classified in this category. In particular, included in the asset line item “80 - Insurance assets” or in the liability line item “110 - Insurance liabilities” are insurance contracts, reinsurance contracts and issued investment contracts with discretionary participation features, as defined and governed by IFRS 17, belonging to portfolios of insurance contracts, based on the net balance of the portfolio to which they belong.

Classification as an insurance asset or insurance liability depends on the net balance of the portfolio of contracts to which they belong. Generally, insurance contracts have a liability balance (insurance liabilities), whereas reinsurance contracts held have an asset balance (insurance assets).

c) recognition criteria

On initial recognition of the insurance contract with the policyholder, a liability is recognised whose amount is given by the algebraic sum of the present value of the expected contractual cash flows (Present value future cash flow – “PVFCF”) which include the Contractual Service Margin – “CSM”, i.e. the present value of expected future profits, and the Risk adjustment (“RA”) to cover non-financial risks. Accounting is not performed on a contract-by-contract basis but rather on groups of contracts; to this end, contracts are grouped to identify “portfolios” with similar risks that can be managed on a collective basis.

d) measurement criteria and revenue recognition criteria

Three measurement models are provided for the measurement of insurance contracts: the General Model or Building Block Approach (“BBA”), the Variable Fee Approach (“VFA”) and the Premium Allocation Approach (“PAA”).

The General Model or Building Block Approach (“BBA”) is the standard model that, in principle, can be applied to all contracts. Under this model, the effects of subsequent measurement of the liability are recognised in the income statement for the financial year if the changes relate to current or past events, or give rise to an adjustment of the

Contractual Service Margin, to be released to the income statement based on the coverage unit ("coverage unit"), if the changes relate to future events. As regards changes arising from amendments to financial assumptions, the standard provides an option to present these effects in the income statement or in other comprehensive income (the so-called Other Comprehensive Income (OCI) option).

The Variable Fee Approach ("VFA") model is mandatorily applied to the measurement of certain specific types of liabilities, in particular contracts with direct participation features (for example, contracts linked to segregated funds).

The Premium Allocation Approach ("PAA") is an optional simplified model used to measure the liability for remaining coverage for contracts with a coverage period of one year or less, and for all contracts where the measurement is not materially different from that resulting from application of the General Model. Under this approach, the insurance liability is systematically released to the income statement over the contractual term.

In the income statement, insurance sector components are included in item "160 – Result of insurance service" for insurance revenue and insurance service expenses arising from insurance contracts issued and reinsurance contracts held, and in item "170 - Balance of revenues and costs of a financial nature relating to insurance management" for net finance income and expenses relating to insurance contracts issued and reinsurance contracts held.

e) derecognition criteria

The insurance contract is derecognised when, and only when, the contract is extinguished, i.e. when the obligation specified in the insurance contract expires, is discharged or is cancelled.

16 Other information

Other financial statement items

Cash and cash equivalents

This item includes currencies that are legal tender, including foreign banknotes and coins and all loans "on demand" in the form of current account and deposits with the central bank of the country or countries in which the Group operates through its own companies or branches, with the exception of the compulsory reserve.

The item is posted at face value. For foreign currencies, the face value is converted into euros at financial year-end exchange rate.

Change in value of macro-hedged financial assets and liabilities

These items include, respectively, the positive or negative balance of changes in fair value of financial assets (item "60 Value adjustment of financial assets subject to macro-hedging") and financial liabilities (item "50 change in value of macro-hedged financial liabilities"), subject to macro-hedging against interest rate risk, whose economic counter-entry is represented by item "90 net profit (loss) from hedging", as is the case for specific fair value hedges. For more detailed information, please refer to the discussion in paragraph 4 "Hedging transactions".

Other assets

This item shows assets not attributable to the other items on the asset side of the balance sheet. It may include, for example:

- gold, silver, metals and precious stones;
- EUA certificates (European Union Allowances), i.e. the CO₂ quotas under the European ETS system, as they are not financial instruments and cannot be attributed to other asset portfolios;
- items in processing;
- accrued income and prepaid expenses not attributable to their own separate item;
- receivables associated with the provision of non-financial goods or services and accrued income other than that which is capitalised on the related financial assets, including those resulting from contracts with customers pursuant to IFRS 15;
- costs incurred for the acquisition and fulfilment of contracts with customers with a multi-year duration, capitalised and amortised to the extent that they are incremental and it is expected to be recovered, as required by paragraphs 91 et seq. of IFRS 15;

- any inventories according to the definition of IAS 2, excluding those classified as inventories of property, plant and equipment;
- tax credits other than those recognised under item "110 - Tax assets",
- the tax credits associated with the "Cura Italia" and "Rilancio" Law Decrees,
- improvements and incremental expenses incurred on third-party real estate other than those attributable to item "90 - Property, plant and equipment" and therefore not independently identifiable and separable.

The costs in the latter bullet point are posted to item "130 - Other assets", since the user company exercises control of the assets for the purpose of the tenancy agreement and can obtain future economic benefits from them. Said costs are amortised according to the shorter of the period in which the improvements and incremental expenses can be used and the remaining term of the contract, including the renewal period, where applicable.

Other liabilities

This item shows liabilities not attributable to the other items on the liabilities side of the balance sheet and includes, for example:

- items in processing;
- payment agreements that must be classified as debit entries according to IFRS 2;
- debit entries connected with payment for provision of non-financial goods and services;
- accrued liabilities other than those to be capitalised for the respective financial liabilities, including those deriving from contracts with customers pursuant to IFRS 15;
- sundry tax liabilities other than those recognised under item "60 - Tax liabilities", associated, for example, with substitute tax assets.
- financial liabilities arising from agreements to repurchase non-controlling interests as part of the acquisition of controlling interests. These liabilities are recognised at the present value of the redemption amount.

Severance pay and other employee benefits.

Employee severance pay is defined as a "benefit subsequent to the employment relationship", in accordance with IAS 19:

- "defined contribution plan" for the portions of severance pay accrued starting from 1 January 2007 (when the supplementary social security reform under Legislative Decree No. 252 of 5 December 2005 entered into force), both for the case in which the employee opts for supplementary social security, as well as the case in which the employee opts for the allocation to the INPS treasury fund. For these portions, the amount recognised under personnel costs is determined on the basis of the contributions due, without applying any actuarial methodology;
- "defined benefit plan" for the portions of severance pay accrued up to 31 December 2006. These portions are recognised according to their actuarial values, as determined in accordance with the Projected Unit Credit Method, without being pre-rating for service rendered, since the current service cost of severance pay is almost fully accrued and its revaluation for the years to come is not expected to result in significant benefits for employees.

In general, "post-employment plans" - which include severance pay as well as pension funds - are divided into the two categories "defined benefit" or "defined contribution", based on their characteristics.

In particular, for defined contribution plans, the cost is represented by contributions accrued during the financial year, given that the company has only the obligation to pay the contractually established contributions to a fund and, consequently, has no legal or implicit obligation to pay, in addition to the contribution, additional amounts if the fund does not have sufficient assets to pay all the benefits to employees.

For defined benefit plans, the actuarial and investment risk, that is, the risk of a shortfall in contributions or poor investment performance of the assets in which the contributions are invested, is borne by the company. The liability is calculated by an external actuary based on the Projected Unit Credit method. Based on this method, future disbursements must be estimated based on demographic and financial assumptions, to be discounted to consider the time that will pass before the actual payment and to be adjusted for the ratio between the years of service accrued and the theoretical seniority estimate at the time the benefit is paid. For discounting purposes, the rate used is determined with reference to the market yield of primary corporate bonds taking into account the average residual duration of the liability, weighted according to the percentage of the amount paid and advanced, for each maturity, compared to the total to be paid and advanced up to the final settlement of the full bond.

The actuarial value of the liability thus calculated must then be adjusted for the fair value of any assets servicing the plan (net liabilities/assets). Actuarial gains and losses that arise as a result of adjustments to the previous actuarial assumptions formulated, following actual historical data or due to changes in the actuarial assumptions, entail a re-measurement of net liabilities and are offset against an equity reserve (item "120 - Valuation reserves") and are thus presented in the "Statement of comprehensive income". The change in the liability resulting from a change or reduction in the plan is recorded in the income statement as a profit or loss. More precisely, the specific case of a change applies if a new plan is introduced or an existing plan is withdrawn or modified. Instead, there is the case of a reduction due to a significant negative variation in the number of employees included in the plan, such as, for example, redundancy plans for redundant workers (access to the Solidarity Fund).

The Projected Unit Credit method, described above, is also used to measure long-term benefits, such as seniority bonuses for employees. Contrary to that which was described for defined benefit plans, actuarial gains and losses associated with the measurement of long-term benefits are immediately recognised in the income statement.

Valuation reserves

This item includes valuation reserves relating to equity securities designated at fair value through other comprehensive income, financial assets (other than equity securities) measured at fair value through other comprehensive income, foreign investment hedging, cash flow hedges, exchange rate differences, "individual assets" and groups of assets under disposal, the portion of valuation reserves of equity-accounted equity investments, actuarial gains (losses) on defined benefits investment plans, gains/losses related to the change in own creditworthiness relating to liabilities under fair value option, property for business use measured on the basis of the restated value method.

Share capital and Treasury shares

This item ("170 - Capital") includes the amount of issued shares net of any capital subscribed but not yet paid at the reporting date. The item is shown including any treasury shares held by the Group. Treasury shares are recognised in financial statements as a negative component of shareholders' equity.

The original cost of repurchased treasury shares and the profits or losses from their subsequent sale are recognised as changes in shareholders' equity. Transaction costs for a share capital transaction, such as an increase in share capital, are recorded as a reduction in shareholders' equity, net of any related tax benefits. Dividends on ordinary shares are recorded as a reduction of shareholders' equity in the financial year in which the Shareholders' Meeting approved their distribution.

Non-controlling interests

This item represents the portion of consolidated net equity attributable to minority shareholders, calculated based on the "equity ratios". The amount is calculated net of any treasury shares repurchased by the consolidated companies.

Other significant accounting practices

Revenues from contracts with customers (IFRS 15)

Revenues are gross inflows of economic benefits deriving from the ordinary activities of the company. They are recognised at the moment that control of the goods or services passes to the customer, for an amount equal to the consideration which the entity is expected to be entitled to. In particular, revenues deriving from contracts with customers are recorded in financial statements only if the relative contract is identifiable, that is:

- the parties have approved the contract and are committed to its execution;
- the rights and obligations of the parties can be clearly identified in the contract;
- the payment terms for the transferred goods and services can be identified;
- the contract has commercial substance, in the sense that it impacts the entity's cash flows;
- it is considered likely that the consideration will be collected upon transfer of the assets and provision of the services. For this assessment, only the customer's ability and intention to pay the amount due should be considered.

After the contract's consideration has been allocated to individual obligations resulting from the contract, revenue is recognised in the income statement when the customer obtains control of the goods or services promised (or when the performance obligation may be deemed satisfied) and can be:

- at a specific point in time (e.g., when the entity fulfils the obligation to transfer the promised good or service to the customer);

- over a period of time (e.g., as the entity fulfils the obligation to transfer the promised good or service to the customer).

The consideration promised in the customer contract may include fixed amounts, variable amounts, or both. Specifically, the contract's consideration may vary based on reductions, discounts, reimbursements, incentives, performance bonuses, or other similar elements. The consideration may also vary depending on whether a future event occurs (as in the case of a fee linked to performance objectives).

The methods suggested by IFRS 15 for estimating the variable portion of remuneration are:

- the expected value method, i.e., the weighted sum of the amounts in a range of possible considerations (for example, the company has many contracts with similar characteristics);
- the most likely amount method, or the most likely in a range of possible considerations (for example, the company receives a performance bonus or does not receive it).

If there is an element of variable consideration, revenue is recognised in the income statement only if it is possible to reasonably estimate the revenue and if it is highly probable that this consideration will not be subsequently reversed from the income statement, whether in full or for a significant part. In the event of a high prevalence of factors of uncertainty linked to the nature of the consideration, it will only be recognised at the moment this uncertainty is resolved. In any case, the estimated part of the transaction price must be updated at the end of each reporting period. The presence of financial components is also considered in determining the price, if considered relevant.

In the case of commercial agreements that envisage the recognition of variable non-cash consideration to the entity, linked to the achievement of specific targets and that can be used for services rendered by the commercial partner, the Group recognises these revenues in the income statement in the financial year in which they accrue, at a value that is not more than the fair value of services effectively rendered by the partner.

If the entity receives from the customer a consideration that provides for the reimbursement to the customer, in whole or in part, of the revenue received, a provision for risks and charges is recognised against the expected future repayments. The case may occur, for example, when the customer has a right of withdrawal for the asset or if the contract includes a claw-back clause. This standard also applies to loyalty programmes, against which a refund liability is recognised. The liability for future redemptions is equal to the amount of the consideration received (or receivable) for which it is expected that the entity is not entitled to (i.e., amounts not included in the transaction price). The liability for future redemptions (as well as the corresponding change in the transaction price and, consequently, the liability arising from the contract) must be updated on the closing date of each reporting period to take account of changes in circumstances.

For contracts for the placement of third-party products, which provide for the reimbursement of part of the commissions received in the event of early termination by the customer and in the presence of claw-back clauses linked to the failure to achieve target commission volumes, the Group quantified this provision for risk and charges based on historical trends for early repayments and reimbursements to customers. The monitoring and forecasting of volumes of the collected and reversed fees enable the provision to be adjusted at each reporting date. The model that is used is based on the most likely amount method.

In addition, the Group has a credit card loyalty programme in place, according to which reward points are granted to customers based on the volumes transacted; reward points are redeemed through prizes purchased mainly from external suppliers. Reward points granted to customers who subscribe to a product/service of the Group entails that recognition of the portion of revenue attributable to the recognised reward points in the income statement is suspended, as an offsetting entry to other liabilities. For this purpose, the transaction price of the performance obligation associated with the reward points granted is estimated, using a model based on the fair value of the reward points, calculated using several factors including: redemption forecasts for the reward points accrued by customers and the cost related to reward purchases. The portion of the consideration able to be allocated to the award points is accounted for as a refund liability; the release to the profit and loss account occurs only when the obligations associated with the bonus points have been fulfilled, i.e. at the time of actual redemption by the customer.

Lastly, the incremental costs for obtaining the contract that are expected to be recovered and the costs for fulfilling the contract are capitalised when these costs can be directly attributed to the contract, can generate resources that can be used to fulfil future contractual performance obligations, and be considered recoverable. This recognised asset is systematically amortised in accordance with the transfer to the customer of the good or service to which the asset refers and, therefore, in accordance with the accounting of the corresponding revenues.

Revenues and costs relating to financial instruments

With reference to the income and charges relating to financial assets/liabilities, note that:

- a) interest is booked *pro rata temporis* on the basis of contractual interest rate or the effective interest rate in the event of application of the amortised cost. In this case, any marginal costs and income, considered an integral part of the return of the financial instrument, are considered in the effective interest rate and recognised under interest. Interest income (or interest expense) also includes the spreads or margins, positive (or negative), accrued up to the reporting date, in relation to financial derivative contracts:
 - hedging assets and liabilities that generate interest;
 - classified in the balance sheet in the trading book, but operationally linked to financial assets and/or liabilities measured at fair value (fair value option);
 - connected operationally with assets and liabilities classified in the trading book and which entail the settlement of differentials or margins over several maturities;
- b) interest on arrears is posted to the income statement only upon actual collection;
- c) dividends are shown in the income statement upon resolution of their payout, i.e. when their payment is due;
- d) commissions for service income are posted in the period when said services were rendered, on the basis of existing contractual agreements. The commissions considered in the amortised cost for purposes of calculating the effective interest rate are recorded in interest;
- e) the profits and losses resulting from the initial recognition at fair value, as determined by the difference between the transaction price and the fair value of the instrument, are booked to the income statement upon reporting of the transaction if the fair value can be determined with reference to parameters or recent transactions observable on the same market in which the instrument is traded; otherwise, they are distributed over time, taking into account the duration and the nature of the instrument;
- f) gains and losses from the sale of financial instruments are recognised in the income statement when the sale is finalised, with the relative transfer of risks and benefits, based on the difference between the consideration received and the book value of the instruments themselves.

Costs for constant services and decreasing payments

The IFRS accounting standards do not provide specific guidelines on the accounting treatment to be applied for recognising costs related to service contracts that are rendered by the supplier through an indeterminate number of actions, over a given period of time. If there are cases of services rendered by suppliers through a single performance obligation relating to the provision of a specific number of units, such as a certain volume of services, which remain constant throughout the contract term and this single performance obligation is satisfied over time with a decreasing payment amount due by the customer, the Group analogically applies the accounting treatment envisaged by IFRS 15 accounting standard (see Basis for Conclusions 313-314).

In detail, in cases of the provision of services characterised by a constant volume over time and decreasing payments, an average unit cost is assigned to the services received and the related costs are recognised on straight-line basis. This straight-line method for posting costs entails the need to recognise a prepaid asset which, at each reporting date pursuant to IAS 36, is subject to an assessment to determine if there are impairment indicators which also takes into account the analyses carried out for purposes of onerous contracts. In the event that impairment indicators are identified, the recoverable value of the asset must be calculated and a write-down must be recognised in the financial statements when the recoverable value is lower than the book value.

Share-based payments

These are payments to employees and contract staff, as consideration for work performed, settled with equity instruments, which consist, for example, in assigning:

- rights to subscribe share capital increases with consideration (stock options);
- rights to receive shares upon achieving certain objectives or at the end of the employment relationship.

Pursuant to IFRS 2, payments based on treasury shares fall into various categories, including:

- as “equity settled” plans, i.e. settled in equity instruments, to be recognised on the basis of the fair value of the work services received.
- as “cash-settled” plans, i.e. settled in cash for an amount indexed to the value of the shares, to be recognised based on the fair value of the liability assumed.

With regard to “equity-settled” plans, given the difficulties of directly estimating the fair value of employment services received as an offsetting entry to the assignment of shares, the value of the services received can be measured indirectly, using as a reference the fair value of equity instruments at the date they are assigned. The fair value of payments settled by issuing shares is recognised according to the criterion of the service provided, in the income statement item “190 a) - Personnel expenses” as an offsetting entry to an increase in the item “150 - Reserves”.

In the case of “cash-settled” plans, on the other hand, the cost of the work services received is recognised in the Income Statement item “190 - a) Personnel expenses” as a balancing entry to a liability to be measured at fair value based on the price of the shares assigned. The fair value must be updated at the end of each financial year and at the settlement date by posting changes in fair value to the income statement until the liability is extinguished.

When the assigned shares or countervalue cannot immediately be used by the employee, but rather are available only after the employee has completed a specific period of service, the company recognises the cost as consideration for the service rendered throughout the accrual period for these conditions (“vesting period”).

Financial instruments offsetting

Pursuant to IAS 32, paragraph 42, financial assets and financial liabilities are offset and recognised in the Financial Statements for the net balance if the entity:

- has a legal right to effect such set-off, which is currently exercisable in all circumstances, whether in the ordinary conduct of business or in situations of non-performance, insolvency or bankruptcy of the parties;
- intends to settle transactions on a net settlement or on a gross settlement basis whose material effect is equivalent to a net settlement.

For derivative instruments covered by netting agreements, which comply with the requirements outlined above, Circular No. 262 provides for netting between all trading derivatives and all hedging derivatives. Should the imbalance of trading derivatives have the opposite sign to the imbalance of all hedging derivatives, a net presentation of these imbalances is provided: Conventionally, the net balance is allocated to the trading portfolio rather than to hedging derivatives, depending on the absolute value of the imbalance between trading and hedging derivatives.

In accordance with the requirements of IFRS 7, more detailed information is provided in the tables contained in Part B - Other Information of these Notes to the financial statements, in which the following are more specifically set out:

- the book values of assets and liabilities that meet the requirements of IAS 32, paragraph 42, before and after accounting offsetting;
- exposures subject to framework offsetting agreements that have not given rise to offsetting but which may potentially trigger offsetting as a result of specific circumstances;
- the collateral attached to them.

Business combinations

A business combination is defined as the transfer of control of a company (or of a group of assets and integrated goods, conducted and managed as a unit). For the definition of control, please refer to Section 3 “Scope of consolidation” of this part A of the Notes to the financial statements.

A business combination may give rise to an investment link between the acquiring Parent Company and the acquired subsidiary. In these cases, the acquirer applies IFRS 3 “Business combinations” to its consolidated financial statements, while in the separate financial statements it recognises the acquired interest as an equity investment in a subsidiary, consequently applying IAS 27 “Separate financial statements”.

A business combination may also provide for the acquisition of the net assets of another entity, including any goodwill, or the acquisition of the share capital of another entity (e.g., mergers, splits, acquisitions of business units). Such a business combination is not an investment link like the one between a parent company and a subsidiary, and therefore in these cases IFRS 3 is also applied to the acquiring entity’s separate financial statements.

Business combinations are accounted for using the purchase method, which requires: (i) identification of the acquirer; (ii) determination of the acquisition date; (iii) determination of the cost of the business combination; (iii) allocation of the acquisition price (“Purchase Price Allocation”).

IFRS 3 allows the initial accounting of a business combination to be provisional and grants the acquirer a period of 12 months to obtain the information necessary to identify and assess the elements required for the final accounting of the business combination, adjusting the provisional amounts retrospectively from the acquisition date (IFRS 3.45).

Identification of the acquirer

IFRS 3 requires that an acquirer is identified for all business combinations, identified as the party that obtains control over another entity, understood as the power to set financial and management policies of the entity in order to receive

benefits from its activities. In the case of business combination transactions that result in the exchange of equity interests, identification of the acquirer must consider factors such as: (i) the number of new ordinary voting shares issued out of the total number of ordinary voting shares that will constitute the capital of the existing company after the combination; (ii) the fair value of the entities participating in the combination; (iii) the composition of the new corporate bodies; (iv) the entity issuing the new shares.

Determination of the acquisition date

The acquisition must be posted to the accounts on the date when the acquirer effectively obtains control over the entity and/or assets acquired. When the transaction is made in a single exchange transaction, the date of exchange is equal to the date of acquisition unless the parties agree a transfer of control prior to the date of exchange.

Determination of the cost of the business combination

The consideration paid in a business combination is equal to the fair value, on the purchase date, of assets sold, liabilities incurred, and equity instruments issued by the acquirer in exchange for obtaining control of the acquired entity. The consideration that the acquirer transfers in exchange to the acquired entity includes any assets and liabilities resulting from an agreement on "contingent consideration", to be recognised at the fair value on the acquisition date. Changes to the consideration transferred are possible if they result from additional information on events and circumstances that existed at the acquisition date and may be recognised within the measurement period for the business combination (i.e., within twelve months from the acquisition date, as specified below). Any other changes deriving from events or circumstances subsequent to the acquisition, such as consideration recognised to the seller linked to the achievement of a certain profit performance, must be recorded in the income statement.

Costs related to the acquisition, which include brokerage fees, consulting, legal, accounting, and professional fees, as well as general administrative costs, are recorded in the income statement as they are incurred, with the exception of the costs of issuing shares and debt securities, which are recognised on the basis of the provisions of IAS 32 and IFRS 9.

Allocation of the acquisition price ("Purchase Price Allocation")

According to the purchase method, at acquisition date the acquirer must allocate the cost of the business combination (known as PPA, "Purchase Price Allocation") to the identifiable assets acquired and to the liabilities assumed measured at their fair value on that date, as well as recognising the value of non-controlling interests of the acquired entity. Exceptions to the application of this principle are the recognition of: (i) income taxes; (ii) liabilities relating to employee benefits; (iii) assets arising from indemnities; (iv) share-based payment transactions; (v) assets held for sale; leasing where the acquiree is the lessee; (vi) regained rights and (vii) insurance contracts for which the respective reference principles apply.

Therefore, it is necessary to draw up a balance sheet for the acquired entity, at the acquisition date, measuring at fair value the identifiable assets acquired (including any intangible assets not previously recognised by the acquired entity) and identifiable liabilities assumed (including contingent liabilities).

For each business combination, non-controlling interests may be recognised at fair value or in proportion with the percentage of identifiable net assets held in the company acquired.

In addition, if control is obtained through subsequent acquisitions (business combinations carried out in several phases), the previously held equity interest is measured at fair value at the acquisition date and the difference compared to the previous book value must be charged to the income statement or to other revenue components in the statement of comprehensive income.

Hence, at the acquisition date, the acquirer must determine the difference between:

- the sum of:
 - the cost of the business combination;
 - the amount of any non-controlling interests as described above;
 - the fair value of any equity interests previously held by the acquirer;

and

- the fair value of identifiable net assets acquired, including contingent liabilities.

Any positive difference must be recorded as goodwill; conversely, any negative difference must be charged to the income statement of the entity resulting from the business combination as profit deriving from the purchase at favourable prices (negative goodwill, or badwill), after having performed a new measurement aimed at ascertaining the correct process of identifying all assets acquired and liabilities assumed.

The fair value of assets and liabilities must be definitively identified within the maximum term of twelve months from the acquisition date (measurement period).

Once control has been obtained and the purchase method described above has been applied, any further increase or decrease in the equity interest in a subsidiary in which control is maintained is recognised as a transaction between shareholders. Therefore, the book values of the shareholders' equity of the Group and non-controlling interests must be adjusted to reflect changes in equity interests in the subsidiary. Any difference between the value for which non-controlling interests are adjusted and the fair value of the consideration paid or received must be recognised directly in the Group's shareholders' equity.

If there is an event which results in the loss of control, an entry is made to the income statement equivalent to the difference between (i) the sum of the fair value of the consideration received and the fair value of the residual equity interest held and (ii) the previous book value of the assets (including goodwill) and liabilities of the subsidiary and any minority shareholders' equity. The amounts previously recognised in the statement of comprehensive income (such as the valuation reserves of financial assets measured at fair value through other comprehensive income) must be accounted for in the same way as if the parent company had directly disposed of the assets or the related liabilities (through reclassification in the income statement or shareholders' equity).

The fair value of any equity interest held in the former subsidiary must be considered equal to the fair value upon initial recognition of a financial asset according to IFRS 9, or, where appropriate, equal to the cost at the time of initial recognition in an associate company or a jointly controlled entity.

Business combinations under common control

Business combinations of entities under common control are excluded from the scope of application of IFRS 3 and in the absence of a reference standard, such business combinations are accounted for by referring to Assirevi Preliminary Guidance No. 1 and No. 2 (OPI 1 - "Accounting treatment of business combinations of entities under common control" in the separate and consolidated financial statements and OPI 2 - "Accounting treatment of mergers in the financial statements"). These guidelines consider the economic significance of business combinations on the basis of cash flow impact on the Group. Transactions that do not have a significant impact on future cash flows are recognised on a going-concern basis. In particular, the values adopted are those resulting from the Consolidated Financial Statements of the Group at the date of transfer of the assets. This is in compliance with the provisions of IAS 8, paragraph 10, which requires, in the absence of a specific standard, to use one's judgement in applying an accounting standard in order to provide relevant, reliable, prudent disclosure that reflects the economic substance of the transaction.

Amortised cost

The amortised cost of financial assets or liabilities is the value at which they were measured upon initial recognition, net of principal repayments, plus or minus overall amortisation calculated using the effective interest method, on the differences between the initial value and that at maturity and net of any permanent impairment.

The effective interest rate is the rate which equates the present value of a financial asset or liability with the future contractual payments or collection cash flows until maturity or a subsequent repricing date. To calculate the current value, the effective interest rate is applied to future collection or payment flows over the entire useful life of the financial assets or liabilities – or for a shorter period if certain conditions are met (for example, a change to market rates).

Following initial recognition, the amortised cost makes it possible to allocate income and costs reducing or increasing the instrument over its entire expected life by means of the amortisation process. The determination of the amortised cost is different depending on whether the financial assets/liabilities are subject to valuation at a fixed or variable rate.

For fixed-rate instruments, future cash flows are quantified based on the known interest rate during the term of the financing. For floating-rate financial assets/liabilities, whose variability is not known beforehand (because, for example, it is tied to an index), cash flows are determined on the basis of the last known rate. At every rate review date, the amortisation schedule and the actual rate of return over the entire useful life of the instrument, i.e. until maturity, are recalculated. The adjustment is recognised as cost or income in the income statement.

Financial assets measured at amortised cost and those measured at fair value with an impact on comprehensive income are measured at amortised cost; as well as for financial liabilities measured at amortised cost.

Financial assets and liabilities traded at market conditions are initially recognised at their fair value, which normally corresponds to the amount disbursed or paid inclusive - in the case of instruments valued at amortised cost - of transaction costs and commissions directly attributable to the assets and liabilities.

Transaction costs include marginal internal and external costs and income attributable to the issue, acquisition or sale of a financial instrument that cannot be charged to the customer. These fees, which must be directly attributable to the

individual financial assets or liabilities, impact the original effective return and make the effective interest rate associated with the transaction different from the contractual interest rate. Indistinguishable costs related to several transactions and components related to events that may occur during the life of the financial instrument, but which are not certain at the time of the initial definition, are excluded, such as: fees for retrocession, for failure to use, and for early repayment.

Commissions for services collected following the performance of structured finance activities that would have been collected regardless of the subsequent financing of the transaction (such as, for example, facilities and arrangements fees), as well costs for underwriting transactions and participation in syndicated transactions, are also not considered in the calculation of the amortised cost.

With particular reference to loans, fees paid to distribution channels (agents, advisors, brokers) and administrative costs (appraisals, notarial services, etc.) associated with any subrogations are considered costs attributable to the financial instrument; while revenues considered in the calculation of the amortised cost are processing and handling fees, and up-front fees relating to lending at below-market rates.

With regard to securities not measured at fair value through profit or loss, transaction costs include both commissions for contracts with brokers operating on Italian stock markets and commissions paid to intermediaries operating on foreign stock and bond markets defined on the basis of commission tables.

For securities issued, commissions for bond placement paid to third parties, amounts paid to stock exchanges, and fees paid to the auditors for activities performed for each individual issue are considered in the calculation of amortised cost, while commissions paid to rating agencies, legal expenses and consultancy/audit fees for the annual update of the prospectuses, as well as costs for the use of indices and commissions that originate during the life of the bond are not considered in the amortised cost calculation.

Compared to the general approach, the effective interest rate must be calculated differently for those financial instruments measured at amortised cost or at fair value through other comprehensive income, purchased or originated, which at the time of their initial recognition are already credit impaired (known as PCI or OCI).

The amortised cost also applies to the measurement of the impairment of the financial instruments listed above as well as to the recognition of those issued or purchased at a value other than their fair value. The latter are recorded at fair value, rather than for the amount collected or paid, calculated by discounting future cash flows at a rate equal to the effective rate of return of similar instruments (in terms of creditworthiness, contractual maturity, currency, etc.), with a financial income or expense recognised in the income statement at the same time; subsequent to initial valuation, they are valued at amortised cost, with actual interest being higher or lower than nominal interest. Lastly, structured liabilities that are not measured at fair value through profit or loss are also measured at amortised cost as the derivative contract embedded in the financial instrument has been recognised separately.

The criterion for measurement at amortised cost does not apply for hedged financial assets/liabilities for which changes in fair value for the hedged risk are charged to the income statement. However, the financial instrument is re-measured at amortised cost if the hedge is suspended, the moment from which the previously recognised changes in fair value are amortised, by calculating a new effective interest rate that considers the loan value adjusted for the fair value of the hedged element, until the expiry of the hedge that was originally envisaged. Moreover, as mentioned above in the paragraphs relating to financial assets and liabilities measured at amortised cost, the amortised cost measurement does not apply to financial assets/liabilities whose short duration makes the economic effect of discounting negligible or to loans without a defined maturity or revocation.

Purchased or originated credit impaired financial assets (POCI)

These are instruments for which the credit risk is very high and which, in the event of purchase, are purchased at a considerably discounted value compared to the initial disbursement value; for this reason, they are considered already credit impaired at the time of first recognition in the Financial Statements.. Depending on the Business Model with which the asset is managed, these assets are classified in item "30 - Financial assets measured at fair value through other comprehensive income" or in item "40 - Financial assets measured at amortised cost" and among off-balance sheet exposures.

In relation to POCIs, there are two different types:

- instruments or portfolios of non-performing loans acquired on the market (Purchased Credit Impaired – "PCI");
- credits disbursed by the Group to customers characterised by a very high credit risk (Originated Credit Impaired – "OCI").

Impaired financial assets acquired through a business combination pursuant to IFRS 3 fall within the scope of application of IFRS 9 PCI.

It should be noted that these financial assets are accounted for separately from the three stages of credit risk.

With reference to the initial recognition, measurement and derecognition criteria, please refer to the discussion corresponding to the asset items into which they can be classified, with the exception of what is specified below in relation to procedures for calculating amortised cost and impairment.

In detail, the amortised cost and consequently the interest income are calculated using an effective interest rate adjusted for the credit (known as “credit-adjusted effective interest rate” or CEIR). For calculating the effective interest rate, the aforementioned credit adjustment entails including the expected credit losses over the entire residual duration of the asset in the estimate of future cash flows. For the purposes of calculating the CEIR, the Group uses contractual cash flows net of expected losses.

In addition, the assets in question require special treatment also with regard to the impairment process, as they are always subject to the determination of an expected loss over the life of the financial instrument (lifetime ECL). It should be noted that an expected loss shall be recognised according to an impairment model based on the Lifetime Expected Credit Loss, including when these financial assets are reclassified among performing loans.

After initial recognition, the profit or loss deriving from any change in expected losses over the life of the loan compared to the initial estimate must be recorded in the income statement. Thus, for these assets, expected losses cannot be calculated using the one-year time horizon as a reference.

Renegotiations

In some cases, over the life of financial assets and, in particular, of loans, the original contractual conditions are subsequently modified as agreed by the parties to the contract. When, during an instrument’s life, the contractual clauses are changed (both in the case the change is formalised by signing a new contract and when there is an amendment to the existing contract), it is necessary to check whether the original asset must continue to be recognised in financial statements or if, conversely, the original instrument must be derecognised from financial statements and a new financial instrument must be recognised.

In general, changes to a financial asset result in its derecognition and to the recording of a new asset when these changes are “substantial”. The determination of the “substantiality” of the change is made by considering only qualitative elements. In particular, renegotiations are deemed to be substantial when:

- introduce specific objective elements that impact on the characteristics and/or the financial flows of the financial instrument (such as for example the change in the currency, the change of the counterparty not belonging to the same group as the original debtor, the introduction of indexing to equity or goods parameters, the introduction of the possibility of converting the loan into participatory equity/financial instruments/other non-financial assets, and the provision of “pay if you can” clauses which allow the debtor the maximum freedom in repaying the loan in terms of time and amount) in consideration of the significant impact expected from the original financial flows; or
- are implemented with respect to customers that have no financial difficulties, with the objective of adapt the onerousness of the contract to current market conditions.

In the latter case, note that, if the Group does not allow a renegotiation of contractual conditions, the customer would have the opportunity to obtain funding from another intermediary, with resulting loss to the Group of the revenue streams envisaged in the renegotiated contract. In other words, for a commercial renegotiation, the Group would not have any loss to be recorded in the income statement as a result of the realignment to the best current market conditions for its customers. Instead, for renegotiations considered not to be substantial, the gross value is recalculated by determining the present value of cash flows resulting from the renegotiation, based on the original rate of the exposure prior to the renegotiation. The difference between this gross value and the gross book value prior to the change is recorded in the income statement under item “140 – Modification Gains/losses” (known as “modification accounting”).

In the case of non-substantial renegotiations, the modifications granted to counterparties experiencing financial difficulties (granting of forbearance measures) are attributable to the Group’s attempt to maximise the recovery of the original exposure, whose risks and benefits continue to be borne by the Group. Exceptions are made for modifications that introduce substantial objective elements in the contract that can themselves lead to the derecognition of the financial asset, as previously described.

Lastly, the changes to financial assets following the Reform of the reference indices for the determination of interest rates (IBOR Reform), relating to the change in the basis for determining the contractual cash flows (replacement of the reference index for determining the existing interest rates with an alternative reference rate), do not constitute a derecognition but rather are accounted for as a change. These changes, if made as a direct consequence of IBOR Reform and on an equivalent economic basis, are represented by a prospective adjustment of the actual interest rate - applying paragraph B5.4.5 of IFRS 9 instead of "modification accounting" - with impacts on the net interest income of future periods.

Fair Value Option

In its financial risk management policy, relating to financial instruments included in the banking book, the Group has used the Fair Value Option accounting technique alongside fair value hedging and cash flow hedging methods.

The Fair Value Option was used to account for management hedges of fixed-rate or structured bonds issued, fixed-rate certificates of deposit issued and *equity-linked certificates* issued (*Accounting Mismatch*).

The scope of application of the Fair Value Option currently regards primarily fixed-rate securities and structured securities subject to hedges on interest rate risk and the risk deriving from embedded derivative components or issuer risk.

IFRS 9 allows the option of designating a financial instrument under the Fair Value Option to be exercised irrevocably only upon initial recognition. Therefore, the Fair Value Option cannot be used for the accounting management of hedges of funding instruments issued prior to the decision to implement the hedge; for these hedges, the hedge accounting technique must be used, which is also used to manage the hedging of the bond issues that are traded in the secondary market at market values.

Unlike hedge accounting, whose rules provide that only fair value changes attributable to the hedged risk are recognised for the hedged instrument, the Fair Value Option involves the recognition of all fair value changes, regardless of the risk factor that is being hedged.

For the issues in question, the fair value is measured, firstly, by referencing observable prices in markets considered active, such as regulated markets, electronic trading circuits (e.g. Bloomberg) or organised or similar exchanges. If there are no observable prices on active markets, they are measured based on prices of recent transactions for the same instrument in non-active markets in addition to using valuation techniques, based on a cash flow discounting model, which must consider all factors considered relevant by market participants in determining a hypothetical transaction on an exchange. In particular, for determining creditworthiness, the implicit spreads of comparable issues of the same issuer are used in active markets, rather than the Parent Company's credit default swap curve with the same level of subordination of the security being measured. The quantification of effects resulting from the change in own creditworthiness between the issue date and the measurement date is calculated as the difference between the fair value obtained considering all of the loan's risk factors, including the credit risk, and the fair value obtained considering the same factors, excluding the change in own credit risk that occurred during the period.

For further details on methods for calculating fair value, please refer to the exhaustive information provided in the relevant paragraph in "Part A.4 - Information on fair value".

With reference to the criteria for recognition in financial statements, note that:

- derivatives connected with financial liabilities measured at fair value are classified under "Financial assets measured at fair value through profit or loss: a) financial assets held for trading" or "Financial liabilities held for trading";
- spreads and margins accrued on derivatives up to the measurement date are included, depending on the balance, in "interest income" or "interest expense", consistent with the accruals recorded on bonds subject to operational hedges;
- gains and losses from realisation and measurement of instruments under the Fair value Option are recognised in the income statement item "110 - Net profit (loss) from other financial assets and liabilities measured at fair value through profit or loss", except for the valuation and realisation effects related to changes in own creditworthiness, which are recognised as a contra-entry to a specific equity reserve (item "120 - Valuation reserves"), unless this latter treatment would create or amplify an asymmetry in the economic result, as described in greater detail in the section "13 - Financial liabilities designated at fair value".
- results of the measurement of derivatives associated with loans under the fair value option are recorded in the income statement item "80 - Net profit (loss) from trading".

From the perspective of prudential supervision, in compliance with regulations in force, distorting effects from changes in fair value due to changes in own creditworthiness are eliminated from own funds.

Lastly, note that gains posted to the income statement under the Fair Value Option and not yet realised are not distributable.

Issuance of certificates

Certificates are structured debt financial instruments that incorporate an embedded derivative, whose coupon interest cash flows and/or repayment of principal (the so-called “Payoff”) depends on the performance of financial market parameters, with or without leverage. The issuance of certificates (whose payoff is linked to the performance of shares, equity indices, interest rates or corporate creditworthiness) is mainly intended to meet investors' need for an investment product that offers higher remuneration than a plain-vanilla product, typical of a derivatives transaction. These products may provide protection of the amount subscribed, or a portion thereof, against movements in the financial parameters to which they are indexed.

For the Group, the issuance of certificates entails recognition of a liability in the accounting portfolio of “Financial liabilities designated at fair value”, in line with the business model applied from July 2023. Use of the fair value option allows the Group to: i) not to split the embedded derivative, thereby simplifying its accounting treatment; ii) to pursue a “natural hedge” against management hedging derivatives that are entered into on a portfolio basis with the aim of hedging the overall exposure.

Against issuance of the certificate, the Group raises funds which, in the absence of financial events that cannot be foreseen a priori or the emergence of specific liquidity needs on the part of the subscriber, remain available until the instrument's maturity. For certain types of certificates⁹⁷, repayment at maturity is guaranteed by investing these funds in bank securities with a time horizon consistent with the expected duration of the investment product, whose counterparty risk is closely correlated with the issuer's risk. These assets are therefore recognised among assets under the fair value option. In the event of early redemption prior to the natural maturity as a result of a financial event, more likely for equity underlyings than for credit/debt instruments, repayment is ensured by the related investment and the hedges implemented on the embedded derivatives in the instrument itself, without impacts on funding.

With reference to the recognition criteria for the balance sheet and income statement components of certificates and related management hedging instruments, it should be noted that:

- the change in *fair value* relating to the issuances in question is included in the income statement item “110. Net profit (loss) from other financial assets and liabilities measured at fair value through profit or loss. The change in fair value related to the Group's own creditworthiness, where recognition in equity would create or increase an accounting mismatch;
- the derivatives that are management-linked to financial liabilities measured at fair value are classified under the asset item “20. Financial assets measured at fair value through profit or loss” or under the liability item “20. Financial liabilities held for trading”. Valuation losses and gains are recognised under the income statement item “80. Net profit (loss) from trading;

A residual portion of certificates, gradually reaching maturity, remains, issued before July 2023 and classified in the trading portfolio; the income statement and balance sheet effects are recognised consistently with classification under the accounting item “Financial liabilities held for trading”.

Contributions to deposit guarantee systems and resolution mechanisms

Following the transposition into national law, Directives 2014/49/EU (Deposit Guarantee Schemes Directive - “DGSD”) of 16 April 2014 and 2014/59/EU (Bank Recovery and Resolution Directive - “BRRD”) of 15 May 2014, starting from the 2015 financial year, credit institutions are obliged to provide the financial resources necessary for the operation of the FITD (Interbank Deposit Protection Fund) and the National Resolution Fund (merged into the SRF - Single Resolution Fund in 2016), through the payment of ex-ante ordinary contributions to be paid annually, until 1% of the total protected deposits are reached by 31 December 2023. Should the financial means available to the FITD and/or the SRF not be sufficient, to guarantee the reimbursement of the protected deposit or to finance the resolution respectively, it is required that credit institutions make the payment of extraordinary contributions. Contributions are recognised under item “190 – Administrative expenses – (b) Other administrative expenses” in the income statement, in application of the IFRIC 21 “Levies” interpretation, on the basis of which a liability related to the payment of levies derives from the occurrence of

⁹⁷ These are, in particular, products with non-guaranteed capital and/or for which the timing of repayment may depend on the performance of a market parameter

the “binding event” which triggers the payment obligation. The contributions are considered, from an accounting point of view, similar to a levy and the moment of onset of the “binding event” was identified in the first quarter for the SRF and in the third quarter for the FITD.

With regard to the SRF, it should be noted that, as was the case for 2024, following the achievement of the 1% target level of the amount of protected deposits as at 31 December 2024, no further contributions were requested from the Group or from the entire European banking system for 2025.

The total contribution to the FITD recognised in the 2025 income statement amounts to EUR 7.6 mln (EUR 75.3 mln as at 31 December 2024).

Law No. 213 of 30 December 2023 established the “Insurance Guarantee Fund for Life Insurance Business”, which Italian insurance undertakings and branches of non-EU insurance undertakings join. The Fund has financial resources built up through contributions from members, which must be proportionate to its liabilities and, in any case, equal to at least 0.4% (the so-called “target level”) of the amount of life insurance technical provisions of member undertakings. This target is to be achieved gradually by 31 December 2035. The contributions levied from insurance brokers are determined in relation to the total volume of life insurance products distributed and revenues associated, albeit these levies should not exceed one-fifth of the annual contribution. Also for 2025, application of the temporary regime was confirmed; therefore, the contributions due by intermediaries registered in section D of the RUI (Single Register of Intermediaries), which includes banks, are equal to 0.1 per thousand of the amount of intermediated life insurance technical reserves.

The ordinary contribution to the Life Insurance Guarantee Fund recognised in the Income statement for 2025 amounts to EUR 2.2 mln.

Synthetic securitisations

In synthetic securitisation transactions, the Group, through the execution of a financial guarantee contract, acquires protection against the credit risk underlying a loan portfolio, of which it retains full ownership. These transactions have the objective of freeing up regulatory and economic capital by reducing the level of credit risk of the portfolio underlying the transaction (Significant Risk Transfer – “SRT”), which is transferred to an external counterparty without entailing the derecognition of the assets.

The SRT must be constantly monitored also during the life of the transaction, in order to ensure that the regulatory criteria that require the Originator to retain a share of the net economic interest equal to at least 5% of the nominal value of the securitised portfolio, are met.

The transactions are structured in different tranches according to the riskiness of the portfolio. From an accounting point of view, synthetic securitisation transactions are configured as financial guarantees received in which the Group acts exclusively on the purchaser’s side of protection against credit risk, if the following aspects are ensured:

- stipulation of the contract for the purpose of hedging credit risk, deriving from debt instruments;
- presence of the deliverable obligation, for the purposes of activation of the financial guarantee, in the financial statements of the protection buyer;
- unbudgeted payments in response to changes in specific rates, prices, ratings, exchange rates, indexes or other variables that are governed by the rules on derivatives but as a consequence of a credit event (such as a change to default);
- repayments made by the protection seller only if the protection buyer has suffered losses against the hedged asset and for an amount not exceeding the loss actually incurred.

The premium paid by the Group to investors for credit risk protection is recognised in the income statement item “50. Fee and commission expense”. The enforcement of the financial guarantee received by the investors upon the occurrence of contractually agreed conditions (known as credit event) relating to securitised loans is recognised under income statement item “130. Net impairment (losses)/reversals for credit risk”.

For further details, please refer to the information provided in these Notes to the financial statements, under “Part E – Section 1 – C. Securitisation transactions”.

Tax credits linked to the “Rilancio” Italian Law Decree acquired following assignment by the direct beneficiaries or previous purchasers

The Italian Law Decrees no. 18/2020 (so-called “Cura Italia”) and no. 34/2020 (so-called “Rilancio”) introduced into the Italian legal system incentive tax measures connected with both investment expenses (e.g. eco and sismabonus) and current expenses (e.g. rents of premises for non-residential use). The Government has also intervened on the matter again through Italian Law Decree no. 50/2022 (so-called “Aiuti”) mainly by redefining the pool of potential transferees.

These tax incentives (which have currently been significantly scaled back as a result of legislative measures aimed at mitigating their impacts on the public finances) apply to households or businesses, are calculated as a percentage of the expenditure incurred (in some cases reaching 110%) and are granted in the form of tax credits or tax deductions (convertible, at the holder's option, into tax credits). The main characteristics of these tax credits are: (i) they may be used for offsetting; (ii) they may be assigned to third-party purchasers; and (iii) they are not refundable by the Tax Authority.

The accounting treatment of tax credits acquired from a third party (transferee of the tax credit) is not subject to a specific international accounting standard. IAS 8 establishes that, when there is a situation not explicitly addressed in an IAS/IFRS, the company management defines an appropriate accounting policy to ensure relevant and reliable disclosure of such transactions.

The Group, with reference to the acquired tax credits, in line with the joint document issued by the Authorities⁹⁸, has defined its accounting policy which refers to the accounting rules laid out in IFRS 9, applying by analogy the provisions compatible with the characteristics of the transaction and considering that, in substance, these credits are equivalent to financial assets.

The Group purchases the credits based on its Tax Capacity with a view to holding them and using them for future offsetting; therefore, these credits are linked to a Hold to Collect Business Model and recognised at amortised cost, with remuneration represented in net interest income throughout the recovery time period.

The valuation of these credits is carried out by considering utilisation flows through estimated future offsetting; however, the accounting framework provided by IFRS 9 does not apply to this specific case for the calculation of expected losses, i.e. the expected credit loss (ECL) is not calculated as there is no counterparty credit risk, taking into account that tax credits are realised through offsetting and not collection.

Lastly, as specified in the joint Authority document, taking into account that for the purposes of the international accounting standards these tax credits do not represent tax assets, public contributions, intangible assets or financial assets, the most appropriate classification for representation in the financial statements is the residual category "Other Assets" in the Balance Sheet.

As at 31 December 2025, the nominal value of the total tax credits acquired amounted to EUR 3,925.2 mln. Taking into account credits offset until this point, totalling EUR 2,139.7 mln, the residual nominal amount as at 31 December 2025 came to EUR 1,785.5 mln. The corresponding book value, recognised in the balance sheet item "130. Other assets" at amortised cost, which takes into account the acquisition price and the net amounts accrued as at 31 December 2025, amounts to EUR 1,644.6 mln.

It should also be noted that, as at 31 December 2025, the Group had received requests for the sale of these receivables for a total amount of approximately EUR 710.5 bn, currently being assessed/processed. The total amount of credits acquired and assignment requests being processed - the latter appropriately adjusted to factor in the incidence of dossiers abandoned and/or rejected by the Bank -, is in line with the estimate of the overall fiscal capacity (the so-called "Tax Capacity"), i.e., the tax payments that the Group expects to make and that are available for offsetting with "Bonus Edilizi" tax credits. The aforementioned valuation takes into account the significant decrease in the estimated prospective "Tax Capacity" caused by changes to the rules underlying the use of tax credits purchased introduced by Law no. 67 of 23 May 2024, which converted, with amendments, Decree Law no. 39/2024 into law.

Contribution for the release from the Extraordinary Tax on the increase in net interest income

With reference to the "Locked" reserve established, as provided for by the shareholders' meeting resolution of 11 April 2024, pursuant to Article 26, paragraph 5-bis, of Italian Law Decree no. 104 of 10 August 2023 (converted into Law no. 136 of 9 October 2023), Law no. 199 of 30 December 2025 – the so-called 2026 Finance Act – introduced, in Article 1, paragraph 68, a legal presumption of priority distribution. This presumption, effective for profit distributions made starting from 1 January 2029, entails the obligation to pay the extraordinary tax of 40% provided for in the aforementioned Article 26 of Italian Law Decree no. 104/2023, whose application had been suspended following the establishment of said reserve.

The same Law no. 199/2025 (Article 1, paragraphs 69–73) introduced a transitional regime, valid until the financial year ending 31 December 2028, which allows the legal presumption referred to above to be disapplied. In particular, it provides

⁹⁸ Accounting treatment of tax credits purchased pursuant to the "Cura Italia" and "Rilancio" Italian Law Decrees published on 5 January 2021 by the coordination table between the Bank of Italy, Consob and IVASS on the application of IAS/IFRS

that the obligation to pay the extraordinary tax may be excluded subject to the release of the “Locked” reserve, i.e. by subjecting it to an extraordinary contribution equal to:

- 27.5% of the reserve existing at the end of the financial year ending 31 December 2025 (for entities whose financial year coincides with the calendar year); or
- 33% of the reserve existing at the end of the financial year following the one ending 31 December 2025 (again for entities whose financial year coincides with the calendar year).

The extraordinary contribution must be paid within the deadline set for settlement of income taxes relating to the relevant tax period (30 June 2026 and 30 June 2027 respectively) and is non-deductible for income tax purposes.

Given the Group’s decision made in January and February 2026 by the Board of Director of the Group’s banks to avail itself of this transitional regime and to proceed with payment of the contribution in 2026 at the rate of 27.5%, the related liability was considered to already exist as at 31 December 2025, as the 2026 Finance Act was approved on 30 December 2025 and can therefore be considered “substantially enacted” at the 2025 reporting date.

From an accounting perspective, identification of the balancing entry for the liability relating to the contribution is not specifically addressed by international accounting standards. IAS 8 provides that, in the absence of specific guidance, management must define an accounting policy suitable for providing relevant and reliable disclosure.

In this context, the Group – in line with analyses conducted at banking system level – has defined its accounting policy by making reference, by analogy, to the principles of IAS 12, applying in particular paragraph 61A, which requires that taxation be recognised consistently with the criteria adopted for the balance sheet or income statement item from which it originates.

Consequently, since the extraordinary contribution impacts an equity item, the Bank recognised the balancing entry in shareholders’ equity, in particular under *Other reserves*.

As at 31 December 2025, taking into account the Locked reserve amounting to EUR 538.6 mln, the Group recognised a liability for the contribution due of EUR 148.2 mln, with a balancing entry being a reduction in the Other reserves item within shareholders’ equity.

Early retirement incentive plans

Termination of employment may be attained through the employee’s voluntary acceptance of a company plan to reduce staff following a proposal to incentivise voluntary resignations due to redundancies, i.e. in the case of exit incentive plans.

These plans provide employment termination benefits and are drawn up, in terms of the number of exits and the timing of implementation, within the scope of the Industrial Plan objectives.

The agreements executed between the Group and the trade unions generally provide for the extent of the pool of potential participants and payments made on a lump-sum basis, in addition to the additional payment of other benefits such as, for example, the maintenance of the insurance policy, the maintenance of welfare coverage and supplementary pension schemes, until the employee’s reaches the INPS (Italian Social Security Institution) retirement age.

The Group recognises a provision by type, under personnel expenses, as a balancing entry to a provision for risks and charges under item “100 Provisions for risks and charges: c) other provisions for risks and charges” when the requirements of IAS 37 are met, i.e. in the presence of an obligation of a contractual nature to provide the services and benefits covered by the agreement, when it is probable that a flow of resources will be required to fulfil the obligation, for an amount that represents the best possible estimate of the expenditure needed to settle the related obligation in place at the reporting date. Since this is a multi-year obligation, the estimated amount is subject to discounting to reflect the effect of the passing of time (IAS 37.45).

When the uncertainty mainly related to the amount of the redundancy incentive cost is resolved, the Group recognises a liability as a balancing entry to the Provision for risks and charges.

Classification of ESG financial instruments

As part of its ESG strategy, the Group offers sustainable project loans on contractual terms that link the contractual cash flows to the achievement of specific environmental sustainability objectives (“ESG covenants”). This approach seeks to

reward companies that embark on virtuous sustainability pathways in terms of having a reduced environmental impact (environmental), pursuing policies of inclusion and community support (social) or organisational strengthening (governance). This premium foresees a reduction in the loan spread to a contractually established maximum (usually 10 basis points) if certain borrower-specific sustainability targets ("ESG covenants") are found to have been met.

From an accounting perspective, financial instruments not held for trading, for which cash flows are based on the occurrence of a contingent event linked to the achievement of ESG targets, are recognised according to the Solely Payment Of Principal And Interest (SPPI) assessment. On this aspect, the IASB provided some clarification on how such clauses are treated for SPPI assessment purposes in its amendments to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" published on 30 May 2024, which take effect for annual periods beginning on or after 1 January 2026.

In light of the clarifications provided by the IASB, the Group believes that the ESG clauses currently in force for the products offered to its customers are SPPI-compliant, since:

- following qualitative and quantitative assessments of the residual impact of those clauses on the contractual cash flows on the financial instrument, it was found that they are non-critical;
- the change in cash flows is linked to a contingent event incumbent on the debtor, such as the debtor meeting targets to reduce gas emissions, and not to market parameters/indices;
- the cash flows resulting from the occurrence or non-occurrence of the contingency event represent neither an investment in the debtor nor exposure to the performance risk of the specified assets.

Therefore, the Group's credit products with "ESG covenants" are fully classified in the portfolio of "Financial assets measured at amortised cost", consistent with the HTC business model and the SPPI test passed.

The same considerations apply to the Group's investments in securities that incorporate ESG covenants, for the purposes of classifying them within the portfolio of "Financial assets measured at amortised cost" and "Financial assets measured at fair value through other comprehensive income".

Other Matters

Classification criteria for financial assets

The classification of financial assets in the three categories envisaged by the standard depends on two classification criteria, or drivers: the business model with which the financial instruments are managed and the contractual characteristics of the cash flows of the financial assets (or SPPI Test).

The financial asset classification derives from the combination of these two drivers, as shown below:

- Financial assets measured at amortised cost: assets that pass the SPPI test and fall under the Hold to Collect business model (HTC);
- Financial assets measured at fair value through other comprehensive income (FVOCI): assets that pass the SPPI test and fall under the Hold to Collect and Sell business model (HTC&S);
- Financial assets measured at fair value through profit or loss (FVTPL): a residual category, which includes financial instruments that cannot be classified in the previous categories based on the results of the business model test or the test on the characteristics of contractual cash flows (SPPI test failed).

Business Model

With regard to the business model, IFRS 9 identifies three cases in relation to the methods by which cash flows are managed and financial assets are sold.

- *Hold to Collect (HTC)*: a business model whose objective is achieved by collecting contractual cash flows from the financial assets included in the relative portfolios. The inclusion of a financial asset portfolio under this Business Model does not necessarily mean that the instruments cannot be sold, though it is necessary to consider the frequency, value, and timing of sales in previous financial years, reasons for sales, and expectations regarding future sales;
- *Hold to Collect and Sell (HTCS)*: a mixed business model, whose objective is achieved by collecting contractual cash flows from the financial assets included in the portfolios and by sales activities, which is an integral part of the strategy. Both activities (collection of contractual cash flows and sales) are essential for achieving the

Business Model's objective. Therefore, sales are more frequent and for greater amounts than an HTC Business Model and are an essential component of the strategies pursued;

- Other/Trading: a residual category that includes both financial assets held for trading purposes and financial assets managed with a business model other than the previous categories (Held to Collect and Hold to Collect and Sell). In general, this classification applies to a portfolio of financial assets whose management and performance are assessed based on fair value.

The Business Model reflects the methods by which financial assets are managed to generate cash flows for the entity's benefit and is defined by top management through the appropriate involvement of business structures. It is determined by considering the ways in which financial assets are managed and, as a consequence, the extent to which the portfolio's cash flows derive either from the collection of contractual cash flows, or from the sale of financial assets, or from both of these events.

The assessment does not take place on the basis of scenarios that, based on the entity's reasonable forecasts, are not likely to occur, such as "worst case" or "stress case" scenarios. For example, if the entity expects to sell a given portfolio of financial assets only in a "stress case" scenario, that scenario does not affect the assessment of the entity's Business Model for those assets if that scenario, based on the entity's reasonable forecasts, is not likely to occur.

The Business Model does not depend on the intentions that management has for an individual financial instrument, but refers to the ways in which groups of financial assets are managed for the purpose of achieving a specific business objective.

In summary, the Business Model:

- reflects the methods by which financial assets are managed to generate cash flows;
- is defined by top management through the appropriate involvement of business structures;
- must be determined by considering the methods by which financial assets are managed.

When assessing a Business Model, all relevant factors available at the assessment date are used. These factors include the strategy, risks and their management, remuneration policies, reporting, and the amount of sales. In analysing the Business Model, it is crucial that the factors evaluated are consistent amongst themselves and, in particular, are consistent with the strategy pursued. Evidence of activity not in line with the strategy must be analysed and adequately justified.

For the Hold to Collect portfolios, the Group has defined eligibility thresholds for sales that do not affect the classification (frequent but not significant, individually and in the aggregate, or infrequent though of a significant amount) and, at the same time, established the parameters to identify sales consistent with this Business Model, when they are attributable to an increase in credit risk or for securities nearing maturity.

More specifically, as part of an HTC Business Model, sales are permitted i) in the event of an increase in credit risk, ii) when carried out near maturity, and finally, iii) when they are frequent but not significant in terms of value or infrequent, even if their value is significant.

Below is an illustration of the circumstances in which the Group, excluding Mediobanca and its subsidiaries for which a harmonisation process is under way, considers it admissible to carry out sales of the assets in question.

Increase in credit risk

The Group deems that there is an increase in credit risk when events occur that involve:

- the classification of the financial asset under stage 2, previously classified under stage 1;
- the classification of the financial asset under impaired assets (or stage 3), previously classified under stages 1 or 2.

On the occurrence of these cases, sales are admissible, independently of any frequency or significance threshold; this occurs, for example, in the case of transfers of non-performing loans.

Proximity of the instrument's expiry

The Group deems that, independently from any frequency or significance threshold, transfers are compatible with the HTC business model if the time interval before the expiry is 10% of the original duration of the instrument, with a maximum absolute limit of 12 months, and the difference between the amount earned from sales and residual contractual cash flows is not greater than 5% in absolute terms.

Frequency and significance lower than determined thresholds

- frequency is defined as the percentage ratio between the number of positions sold (ISIN or relationships) during the observation period and the total positions in the portfolio present at the beginning of the observation period. Sales carried out based on a number lower than a value equal to 5% of the number of securities held in the

portfolio at the start of the year are infrequent (this value is equal to zero if the number of securities at the start of the year is under 40);

- significance is defined as the percentage ratio between the nominal value of sales and the total nominal value of instruments in the portfolio present at the beginning of the observation period. The significance threshold of individual sales identified by the Group is 5%.

The two thresholds must be considered in a separate manner; it derives that individual sales made for an amount higher than 5% compared to initial amount, even if infrequent, are not admissible. In the case that both the frequency and significance thresholds are met for an individual sale, a further assessment is envisaged in terms of aggregate sales volume. In this case, the significance threshold of the aggregate amount of sales identified by the Group is 10%.

These thresholds were established and applied at the level of both the individual legal entity belonging to the Group and the Group itself and only for the debt securities portfolio, as the sales of loans portfolios made by the Group are attributable to an increase in the credit risk and to the strategy of de-risking required by the Supervisory Authority.

“Hold to Collect” Business Model – Sales

The accounting standard IFRS 9 requires that the exposures included in the portfolio of “Financial assets measured at amortised cost” be disposed of under the circumstances described above. With regard to this it should be noted that transfers of debt securities made by the Group in 2025 took place for a total nominal value of approximately EUR 1,548.5 mln in compliance with the significance and frequency thresholds, declared in the Group’s accounting policies, illustrated in part “A.2 Part relating to the main items of the financial statements”, paragraph “Other Information, Other Aspects - Business Model”, to which reference is made for further details.

In addition, as part of the derisking process described in the “Information on employment law, tax and complaints risks” section of the Group’s Report on Operations, disposals of non-performing exposures in the form of loans to customers continued in 2025; these were deemed eligible regardless of any frequency and materiality thresholds, in line with the rules set out in IFRS 9 and the Group’s policy.

Finally, it should be noted that during 2025 and up to the date of preparation of these financial statements, there were no changes with regard to the admissibility criteria for sales of financial assets managed with the “HTC” Business Model. Lastly, please note that the management of debt securities classified in “HTC” and “HTCS” portfolios continue in accordance with the choices made in previous financial years; therefore, no change in the Business Model has occurred during the financial year which required a reclassification of the securities portfolio.

SPPI test

The other criterion to be used to determine whether a financial asset should be classified under financial instruments measured at amortised cost or at FVOCI - in addition to the Business Model analysis shown above - requires that the terms of contract relating to the asset provide for cash flows equivalent to solely payments of principal and interest on the principal amount outstanding (SPPI), repayable on specified dates. This assessment must be carried out for loans and debt securities in particular.

Each financial instrument must undergo SPPI assessment at the time it is recognised in the financial statements.

Subsequent to its initial recognition, and for as long as it is recognised in the financial statements, the asset no longer undergoes further valuations for SPPI assessment purposes. Where derecognising a financial instrument and recognising a new financial asset, the new asset must undergo SPPI test.

For purposes of the analysis, IFRS 9 proposes a definition of the terms “principal” and “interest”, as follows:

- the principal is intended as the fair value of the financial asset at the time of its initial recognition. This value may change during the life of the financial instrument, for example due to repayments of a portion of the principal;
- interest is the consideration for the time value of money, for the credit risk associated with the principal over a given period of time, for other risks and costs associated with the basic risks of a lending transaction, and for the profit margin.

In basic lending arrangements, the value of interest must depend exclusively on the time value of money and on the credit risk associated with the principal over a given period of time. Whenever the contractual terms introduce exposure to risk or volatility of contractual cash flows that is inconsistent with the definition of a basic lending arrangement, such as exposure to changes in equity or commodity prices, the contractual flows do not meet the definition of SPPI.

In cases where the time value of money is modified – for example when the interest rate of the asset is periodically re-determined, but the frequency of this redetermination or the frequency of the payment does not correspond to the nature of the interest rate (for example, the interest rate is revised monthly on the basis of a one-year rate) or when the interest

rate is periodically re-determined on the basis of an average of particular short or medium-long term rates – the undertaking must assess, both using quantitative and qualitative elements, if the contractual flows still meet the definition of SPPI (so-called benchmark cash flows test). If the test shows that the contractual cash flows (not discounted) are “significantly different” from the cash flows (also not discounted) of a benchmark instrument (i.e. without the modified time value element) the contractual cash flows cannot be considered as meeting the definition of SPPI.

Particular analyses (so-called “look through tests”) are required by the standard and are consequently carried out also for multiple contractually linked instruments (CLI) that create concentrations of credit risk for debt relief and for non-recourse assets, for example in cases where the receivable can be asserted only in relation to certain assets of the debtor or the cash flows deriving from certain assets.

In addition, any contractual clauses that could change the frequency or amount of contractual cash flows must be considered in order to assess whether such cash flows meet the requirements to be SPPI compliant (e.g., prepayment options, possibility to defer the contractually agreed cash flows, instruments with embedded derivatives, subordinated instruments, etc.).

However, as required by IFRS 9, a contractual cash flow characteristic does not affect the classification of the financial asset if it can only have a de minimis effect on the contractual cash flows of the financial asset (in each financial year and cumulatively). Similarly, if an element of cash flows is not genuine, i.e., if it affects the instrument’s contractual cash flows only at the occurrence of an extremely rare, highly unusual, and very unlikely event, it does not affect the classification of the financial asset.

For purposes of conducting the SPPI test on transactions in debt securities, MPS Group uses the services of an info-provider. The test is carried out manually using a proprietary tool based on an internally developed methodology (decision trees) only if the securities are not managed by the info-provider.

A proprietary tool based on a method developed in-house (decision trees) was developed to perform the SPPI test for credit approval processes. In particular, given the significantly different characteristics, differentiated management is envisaged for products that have a standard contract (typically, the retail loan portfolio) and tailor-made loans (typically, the corporate loan portfolio). For standard products, the SPPI test is conducted when the standard contract is structured, through the “Product Approval” process, and the test result is extended to all individual relationships that refer to that product in the catalogue. Instead, for tailor-made products, the SPPI test is carried out for each new credit line/relationship submitted to the decision-making body through the use of the tool. Decision trees - included in the proprietary tool - have been prepared internally (both for debt securities and loans) and capture possible features that may not comply with the SPPI test. The trees are used both for the implementation of the rules of the proprietary tool and for the verification and validation of the methodology adopted by the info-providers.

Use of estimates and assumptions when preparing financial statements

The application of certain accounting standards necessarily implies the use of estimates and assumptions that impact the values of the assets and liabilities recognised in the financial statements as well as the disclosure provided on contingent assets and liabilities. The assumptions underlying the estimates developed take into consideration all available information at the date on which these consolidated financial statements were drafted as well as the assumptions considered reasonable, also in light of historical experience. By their very nature, it is therefore not possible to exclude that the assumptions used, albeit reasonable, may not be confirmed in the future scenarios in which the Group will be operating. In particular, it should be noted that significant elements of uncertainty continue to persist in the reference macroeconomic scenario, linked to political tensions and discontinuities in US economic and foreign policy. A further source of uncertainty is represented by the effects resulting from climate change, whose manifestations are becoming increasingly frequent and of serious impact.

These uncertainties have affected the Financial Statement estimates, with significant judgement required in selecting the assumptions and hypotheses underlying the estimates. The results achieved in the future therefore could differ from the estimates made for the purposes of these Financial Statements and as a result adjustments may be required, to an extent that cannot currently be predicted or estimated, with respect to the carrying amount of the assets and liabilities recognised.

In this regard, please note that estimates could need to be revised following changes in the circumstances on which they were based, the availability of new information or the increased experience gained.

Lastly, please note that in order to allow an appreciation of the effects on the financial statements correlated to above mentioned elements of uncertainty, in these consolidated financial statements, for the main items of the financial statements subject to estimates (recoverability of deferred tax assets, expected losses on performing loans, recoverability of intangible assets with an indefinite useful life) information is provided on the main hypotheses and assumptions used in the estimate, as well as a sensitivity analysis with respect to alternative hypotheses.

Below are set out the accounting policies considered to be the most critical for the purpose of a true and correct representation of the Group's financial situation and results of operations, both in terms of materiality of the values to be recorded in the Financial Statements impacted by these policies, and for the high degree of judgement inherent in the measurements, which implies the use of estimates and assumptions by management, with reference to the specific sections of the Notes to the financial statements for detailed information on the evaluation processes carried out at 31 December 2025.

The main cases in which subjective valuations are mostly opted for by Management include:

- a) quantification of impairment losses on loans and, more generally, other financial assets;
- b) assessment of the adequacy of the value of equity investments and of other non-financial assets (goodwill, intangible assets, and property, plant and equipment, including right of use assets acquired through leasing);
- c) use of valuation models to measure the fair value of financial instruments not listed in active markets;
- d) estimation and assumptions on recoverability of deferred tax assets;
- e) estimation of liabilities arising from defined benefit company pension funds;
- f) quantification of provisions for risks and charges related to legal and tax disputes;
- g) quantification of the fair value of investment properties and operating properties for business use.
- h) the measurement of the fair value of identifiable assets and liabilities acquired in the Purchase Price Allocation (PPA) process

For some of the cases listed above, the main factors that are subject to estimates by the Group, and which therefore contribute to determining the book value of assets and liabilities in the financial statements, can be identified.

In summary, note that:

- a) for the allocation in the three credit risk stages envisaged in IFRS 9 for loans and debt securities classified as "Financial assets measured at amortised cost" and "Financial assets measured at fair value through other comprehensive income", and the calculation of the expected losses, the main estimates concern:
 - determination of the parameters of significant increase in credit risk, based essentially on models for measuring the probability of default (PD) at the origination of financial assets and at the reporting date;
 - inclusion of forward-looking elements, including macroeconomic, for calculating PD, EAD, and LGD;
 - calculation of the expected cash flows on non-performing loans, which take account: the expected recovery value of collaterals, if any, as well as the costs expected to be incurred for the recovery of the credit exposure; and finally
 - calculation of the probability of sale for positions that have a disposal plan;

- b) for calculating the value in use of intangible assets with indefinite life (goodwill) with reference to the cash generating units (CGUs) that make up the Group, future cash flows for the forecast period and cash flows used to determine the terminal value generated by the CGUs are estimated separately and are appropriately discounted. The cost of capital is included in the estimates;
- c) for calculating the fair value of financial instruments not listed on active markets, if it is necessary to use parameters that cannot be inferred from the market, the main estimates concern, on one hand, the development of future cash flows (or also profits for equity securities), possibly contingent upon future events and, on the other, the level of certain input parameters not listed on active markets;
- d) for quantifying post-employment benefits and similar obligations, the present value of the obligations is estimated, taking into account the cash flows, appropriately discounted, resulting from the historical statistical analysis and the demographic curve;
- e) for quantifying provisions for risks and charges, the amount of disbursements necessary to satisfy the obligations is estimated, where possible, taking into account the effective probability of having to make use of resources;
- f) for calculating the items related to deferred taxation, the probability that taxes will effectively be incurred in the future (temporary taxable differences) and the degree of reasonable certainty - if any - of future taxable profits at the time the taxes can be deducted is estimated (temporary deductible differences and accumulated tax losses);
- g) for the determination of the fair value of the properties, carried out through the preparation of specific appraisals by a qualified and independent company, certain unobservable input data are estimated, such as, for example, the lease fee, the sales price, the discount rate, the capitalization rate of income, etc.
- h) for the determination of fair value adjustments of identifiable assets and liabilities acquired in the PPA process following business combinations, to be attributed to the acquiree's accounting equity for the purpose of determining goodwill. By definition, this process involves complex and subjective estimation elements: the identification of the above information elements, the use of valuation techniques, and the selection of assumptions and unobservable inputs for measuring the fair value of identifiable net assets acquired require significant judgement, thereby affecting the goodwill/badwill resulting from the business combination;
- i) in determining insurance liabilities, estimates are used to measure future cash flows for fulfilment of contracts and to define technical and financial assumptions such as the claims rate and the discount rate.

For points a), b) and f), please refer to the subsequent paragraphs: "Methods for calculating impairment on IFRS 9 financial instruments", "Methods for calculating impairment on equity investments", "Methods for calculating impairment on other non-financial assets" and "Methods for recognising deferred tax assets (probability test)"; for points g) and i), reference is made to the paragraphs "Determination of the fair value of property" and "Methods for determining insurance liabilities", respectively. Lastly, for point c), reference should be made to paragraph A.4.5 "Fair value hierarchy" in these Notes to the financial statements. With reference to point h), in relation to the acquisition of the Mediobanca Group in September 2025, reference should be made to what is set out in "Part G – Business combinations involving undertakings or business units" in these Notes to the financial statements

The actual technical and conceptual solutions used by the Group are analysed in more detail in the individual sections of the notes to the balance sheet and income statement, where the distinct contents of each item in the financial statements are described. With regard to the cases referred to in points d) and e), please refer to Section 10.5 under liabilities in the Notes to the Financial Statements "Defined benefit company pension funds" and Part E of the Notes to the Financial Statements, Section 1.5 "Operational risks".

Methods for calculating impairment on IFRS 9 financial instruments

Pursuant to IFRS 9, at each reporting date, financial assets other than those measured at fair value through profit or loss are subject to an impairment test, aimed at estimating the expected credit loss (ECL). A similar analysis is also carried out for commitments to disburse funds and for guarantees issued that fall within the scope to be subject to impairment under IFRS 9.

In particular, the ECL model provides the aforementioned financial assets must be classified in three distinct "stages", according to their credit quality in absolute terms or relative to that at initial disbursement, to which different measurement criteria for expected losses are applied. More specifically:

- stage 1: includes performing exposures that have not undergone a significant change in credit risk with respect to the initial recognition. The value adjustments correspond to the expected losses related to the verification of default in the 12 months following the reporting date;

- stage 2: includes performing exposures whose creditworthiness has been affected by a significant change in credit risk, but for which the losses are not yet observable. Adjustments are calculated considering the expected loss over the remaining life of the instrument (lifetime);
- stage 3: includes all non-performing exposures that present objective evidence of deterioration and which must be adjusted by using the lifetime expected loss concept⁹⁹.

Financial assets considered as impaired since their acquisition or origin (POCI - purchased or originated credit impaired), are an exception to the above, whose accounting treatment was discussed in the paragraph above dedicated to this topic.

The scope of exposures classified in stage 3 includes the corresponding non-performing exposures, in accordance with the provisions of the Bank of Italy rules, defined in Circular no. 272 of 30 July 2008, as updated, and referred to in Bank of Italy Circular no. 262 "Bank financial statements: compilation formats and rules", to the non-performing exposures aggregate pursuant to ITS EBA (EBA/ITS/2013/03/rev1 24/7/2014)¹⁰⁰.

In detail, the aforementioned circulars identify the following categories of non-performing assets:

- Bad loans: these represent the aggregate of on- and off-balance sheet exposures to a party in a status of insolvency (even if not judicially certified) or in essentially comparable situations, regardless of any loss forecasts made by the Bank;
- Unlikely to pay exposures: represent the on- and off-balance sheet exposures for which the borrower does not meet the conditions for classification under bad loans and for which it is considered unlikely that the borrower will be able to fully satisfy the credit obligations (in terms of principal and/or interest) without recourse to actions such as the enforcement of collateral. This assessment is carried out regardless of the existence of any overdue and unpaid amounts (or instalments). The classification among unlikely to pay exposures is not necessarily linked to the explicit presence of anomalies, such as a missed repayment, but rather is linked to the existence of elements that would indicate a situation of risk that the debtor may default (e.g., a crisis in the debtor's business sector);
- Past due and/or overdrawn exposures: on-balance sheet exposures, other than those classified as bad loans or unlikely to pay exposures, which, at the reporting date, are past due and/or overdrawn for more than 90 days, according to the significance threshold envisaged in the aforementioned legislation. For the Bank, non-performing past due and/or overdrawn exposures are determined in reference to the position of an individual debtor.

The Group adopts a "debtor-by-debtor" approach¹⁰¹ to identifying non-performing exposures. In this sense, the other party to the loan is assessed overall and subsequently classified, rather than assessing the individual loans granted to that party

In addition, the Bank of Italy regulations, in line with EBA standards, have introduced the definition of "forborne exposures". This concerns, in particular, exposures benefiting from tolerance measures, which consist of concessions granted to the debtor, in terms of modification and/or refinancing of a pre-existing loan, exclusively because of, or to prevent, a state of financial difficulty that could have negative effects on the debtor's ability to fulfil the contractual commitments originally assumed, and that would not have been granted to another debtor with a similar risk profile not in financial difficulty. These concessions must be identified at the level of the individual credit line and may relate to exposures of debtors classified either in the performing or the non-performing (impaired) status. For exposures with forbearance measures classified as unlikely to pay exposures, the recovery to a position of performing can only take place after at least one year has elapsed from the time the concession was granted (known as the "cure period") and all the other conditions provided for in paragraph 157 of the EBA ITS are satisfied.

In any case, renegotiated exposures should not be considered forborne when the debtor is not in a situation of financial difficulty (renegotiations carried out for commercial reasons).

⁹⁹ For exposures falling under the Parent Company's and Banca Widiba's portfolios, the assessment is statistical for positions with a balance of less than EUR 1m and analytical, carried out by the managers, for positions above that threshold.

¹⁰⁰ The regulatory framework of the New Definition of Default was supplemented with the application, starting from 1 January 2021, of the "Guidelines on the application of the definition of default as per Article 178 of EU Regulation no. 575/2013" (EBA/GL/2016/07).

¹⁰¹ With the exception of the subsidiaries Compass and Mediobanca Premier, which apply a transaction-based approach. Specifically, the latter, with reference to retail exposures, adopts a transaction-based approach for the purpose of identifying only past due for retail exposures; for all other types of non-performing past-due exposures and for bad loans/unlikely to pay exposures it adopts a debtor-based approach.

Impairment of performing financial assets

For performing financial assets, i.e., those assets not considered to be impaired, it must be determined, at the individual relationship level, if there is a significant deterioration of credit risk, by comparing the credit risk associated with the financial instrument at the time of measurement and that at the initial moment of disbursement or acquisition. This comparison is made using both quantitative and qualitative criteria. The results of this assessment, in terms of classification (or, more appropriately, staging) and measurement, are the following:

- when these indicators are present, the financial asset is included in stage 2. In this case, the assessment requires that impairment is recognised equal to the expected losses over the entire residual life of the financial instrument, consistent with the provisions of international accounting standards and even if a loss in value has not yet occurred. These adjustments are reviewed at each subsequent reporting date both to periodically check that the continuously updated loss estimates are consistent, as well as to take into account - in the event that indicators of a “significantly increased credit risk” no longer exist - of the change in forecast horizon for calculation of expected loss;
- where these indicators are not present, the financial asset is included in stage 1. In this case, the assessment requires that expected losses are recognised on the specific financial instrument over the next twelve months, consistent with the provisions of international accounting standards and even if a loss in value has not yet occurred. These adjustments are reviewed at each subsequent reporting date both to periodically check that the continuously updated loss estimates are consistent, as well as to take into account - if indicators of a “significantly increased credit risk” are detected - the change in forecast horizon for calculation of expected loss.

As regards the measurement of financial assets and, in particular, the identification of a “significant increase” in credit risk (a necessary and sufficient condition for classification of the asset being assessed in stage 2), the elements that constitute the main determinants to be taken into consideration, according to the standard and its operating procedure implemented by MPS Group, are the following:

- relative quantitative criterion as “main” driver, based on the change (beyond established thresholds) in the lifetime probability of default compared to when the financial instrument was initially recognised in the financial statements;
- absolute qualitative criteria, represented by the identification of trigger event or exceeding absolute thresholds as part of the credit monitoring process, and backstop indicators, i.e., credit “delinquency” factors, the occurrence of which suggests that there has been a significant increase in Credit risk, unless there is evidence to the contrary. The category comprises:
 - o all exposures affected by forbearance measures and for which these measures are still active, regardless of whether the probation period underway is regular;
 - o exposures past due by more than 30 days.

With exclusive reference to the exposures of the Parent Company's and Banca Widiba's portfolios, the following qualitative criteria apply:

- o exposures of counterparties classified in the Proactive Management portfolio characterised by high risk elements¹⁰²;
- o exposures to retail counterparties and businesses with a turnover of less than EUR 50 mln and classified by the internal early warning system (EWS) in risk class A8¹⁰³.

Lastly, it should be noted that with reference to the Mediobanca and its subsidiaries, inclusion of counterparties in the “Amber” or “Red”¹⁰⁴ categories within their specific EWS, excluding counterparties in consumer credit, is adopted as a qualitative element for allocation to stage 2. For consumer credit, managed mainly through the subsidiary Compass, specific qualitative indicators are used for classification to stage 2, such as the presence of suspension measures or other irregular exposures to the same debtor and, lastly, evidence in the recent past of payment irregularities.

With particular reference to the relative quantitative criterion applicable to credit exposures with customers- for exposures held by the Parent Company and Banca Widiba - the MPS Group has determined as a reference the change, within internal thresholds differentiated by segment, product, initial rating class, vintage and geographical area, between the lifetime forward-looking cumulative probability of default (PD), calculated at the beginning of the contractual relationship, and the probability of default recorded at the measurement date. If these thresholds are exceeded, it

¹⁰² The management portfolio refers solely to positions held by the Parent Company and Banca Widiba. The macro factors determining the assignment of the high risk tag within the “Proactive Management” management portfolio are the activation of a default detection parameter of the early warning system classified either as binding or non-binding with high relevance, or two non-binding parameters with low relevance that were activated three months apart

¹⁰³ The A8 is the highest EWS risk class adopted by Parent Company for a stage 1 exposure.

¹⁰⁴ The criteria for inclusion in the different categories are characterised by specific indicators by type of business and company.

signifies a significant increase in credit risk and the resulting transfer of the individual credit line from stage 1 to stage 2. The comparison is based on the homogeneous residual durations and on homogeneous PD models, for example, if the definition of default changes over time, the original lifetime forward-looking cumulative PD is recalculated to take account of said new definition of default. Cumulative PDs subject to comparison are based on the same model used for ECL purposes (e.g. definition of PIT (Point in Time) PD, macroeconomic scenarios, expected life/contractual life). In order to obtain a unique classification result, a cumulative PD resulting from the weighted average of the cumulative PDs calculated for the individual forward-looking scenarios using the probabilities of the scenarios as weights is used. The threshold of significance is determined by historically measuring, through quantile regression analysis per cluster, that level of ratio, between the lifetime forward-looking cumulative PD at the reporting date and that at the origination date, which may be considered predictive of the classification as NPE¹⁰⁵. The threshold is determined so as to minimise false positives and false negatives and maximise true positives and true negatives. In cases where it is difficult to identify risk factors or indicators at the level of individual borrowers, the significant increase in credit risk may be assessed by means of a collective approach that allows the components of the loan portfolio that are most likely to be affected by a crisis to be highlighted without, however, identifying them on an individual basis.

As regards Mediobanca subsidiaries, it should be noted that as at 31 December 2025 the quantitative criterion based on lifetime PD is applied to all companies, with the exception of MB Facta Corporate, which uses 1-year PD, and CMB Monaco, which does not apply quantitative criteria. The thresholds are defined and calibrated for each company to reflect the specific features of the business.

Lastly, starting from the 2025 financial year, the Parent Company made use of the low credit risk exemption, in addition to debt securities with an investment-grade rating, also for loans to corporate and large corporate counterparties that, at the reporting date, have a rating equal to or higher than BBB- (investment grade) and are not subject to the qualitative triggers referred to above. This exemption consists of the practical expedient of not conducting the test for significant deterioration of credit risk, in the presence of exposures whose credit risk is considered low. The same exemption is also used for loans of Mediobanca and its subsidiaries¹⁰⁶.

For debt securities that do not have rating equal to or above investment-grade ratings, the relative quantitative criterion applied by the Group, is based on the variation in lifetime forward-looking cumulative PD between the reporting date and the origination date above compared with a certain threshold.

With reference to the Parent Company's securities portfolio¹⁰⁷, for corporate issuers the multi-year PD curve is the one relating to vintage 1 of the Corporate segment estimated entirely by the Group; for government issues, the multi-year PD curve is the one prepared on the basis of the Moody's, Standard & Poor's and Fitch migration matrices of 1-year for government bonds; Standard & Poor's migration matrices corresponding to the Euro area were used to estimate multi-year PDs of credit exposures to banks and to non-banking and financial institutions (NBFIs). Moody's multi-year PD matrix is used for securities issued against both own and third-party securitisations. Cumulative PDs subject to comparison are based on the same model used for ECL purposes and macroeconomic scenarios. In order to obtain a unique classification result, a cumulative PD resulting from the weighted average of the cumulative PDs calculated for the individual forward-looking scenarios using the probabilities of the scenarios as weights is used. The exposures are classified into stage 2 if the ratio between the lifetime forward-looking cumulative PD at the reporting date and that of the origination date exceeds a given threshold of significance equal, both for corporate bonds and government bonds, to that used for corporate exposures in the form of loans.

Debt securities that, at the reporting date, have an investment-grade rating, mainly attributable to government securities, are classified in stage 1 as, for this case, the Group made use of the "Low Credit Risk Exemption" described above. This exemption applies to securities that, at the valuation date, have a rating level equal to investment grade, in full compliance with the provisions of IFRS 9. For debt securities, as well, a qualitative criterion was introduced to identify the existence of a "significant increase" in credit risk, which determines the stage 2 allocation of tranches belonging to counterparties in the high-risk management portfolio. In addition, given the presence of several purchase transactions on one fungible asset (ISIN), it was necessary to identify a methodology to identify the tranches sold in order to determine the residual quantities to which credit quality at initial recognition date can be associated, in order to compare it with credit quality at the measurement date. In this context, the "first-in-first-out" or "FIFO" methodology was deemed most appropriate, as

¹⁰⁵ The transfer to NPE is measured over a one-year time horizon.

¹⁰⁶ For the Mediobanca Premier Italy mortgage portfolio only, the Low Credit Risk Exemption is applied to all counterparties that, at the reporting date, have a PD equal to or lower than 0.3%.

¹⁰⁷ Companies within the former Mediobanca Group for which the quantitative criterion is envisaged apply thresholds that are defined and calibrated for each legal entity to reflect the specific features of the business

it enables more transparent portfolio management, including from the operational perspective (front office), allowing, at the same time, a continuous updating of the creditworthiness assessment based on new purchases.

In general, the transfer criterion between stages is symmetrical. Specifically, an improvement in credit risk which involves the elimination of the conditions that led to the significant increase in said credit risk involves the reallocation of the financial instrument from stage 2 to stage 1. In this case, the entity recalculates the value adjustment on a twelve-month time horizon rather than the previously recognised lifetime losses, by booking a write-back to the income statement. In order to reduce the frequency of transfers between stages, the Group applies, for exposures of the Parent Company and Banca Widiba, a stabilisation rule requiring a probation period on both entry and exit.

Once the assignment of exposures into the various credit risk stages has been defined, the expected losses (ECL) are calculated, at the level of individual transaction or security tranche, starting from IRB/management modelling, based on the parameters of Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD), to which specific adjustments are made, in order to ensure compliance with the specific requirements of IFRS 9.

For Mediobanca and its subsidiaries, no changes were made to the models applied under IFRS 9 during the fourth quarter of 2025; therefore, the models already in use by those companies throughout the year remain valid.

The PD, LGD, and EAD are defined as follows:

- PD (Probability of Default): likelihood of transferring from a performing status to that of non-performing over a one-year time horizon. In models consistent with supervisory provisions, the PD factor is typically quantified through the rating. In Banca MPS and in Banca Widiba, PD values derive from internal rating models where available, supplemented by external valuations or average data for segment/portfolio;
- LGD (*Loss Given Default*): percentage of loss in the event of default. In models consistent with supervisory provisions, this factor is quantified using historical data on actual recoveries of loans that transferred to non-performing status;
- EAD (Exposure At Default) or credit equivalent: amount of exposure at the time of default.

As previously pointed out, in order to comply with the provisions of IFRS 9, specific adjustments must be made to the aforementioned factors, among which, in relation to the accounting models adopted by the Parent Company and Banca Widiba, we note in particular:

- adoption of a Point in Time (PIT) PD against the Through the Cycle (TTC) PD used for regulatory purposes;
- elimination of certain additional components from LGD, such as indirect costs (non-recurring costs), further conservative margins specifically introduced for statutory models, the component linked to the economic downturn; as well as to reflect the most current recovery rates (PIT), forward-looking expectations about future trends and the inclusion of any recovery fees if collection is assigned to a third party;
- use of multi-year PDs and, where necessary, LGDs in order to determine the expected loss for the entire residual life of the financial instrument (stages 2 and 3);
- use of the effective interest rate of the individual transaction in the process of discounting expected future cash flows, as opposed to that which is set forth in regulatory models, in which individual cash flows are discounted using discount rates determined in accordance with prudential regulations.

In relation to the multi-year EAD, for exposures of the Parent Company and Banca Widiba, the MPS Group – in line with IFRS 9 provisions – takes as reference the contractual maturity plans to determine when cash flows will be due, whereas for demand exposures it uses a behavioural model to estimate the repayment profile – as also used for liquidity risk and ALM assessments – broken down by type of customer, regardless of the measurement methods (amortised cost or fair value through other comprehensive income). For commitments to disburse funds and guarantees given (off-balance sheet exposures), EAD is instead taken at nominal value weighted by a specific credit conversion factor (CCF).

IFRS 9 establishes that, at each reporting date, an entity must measure the impairment of an asset based on the expected credit loss, based on available, reasonable and consistent information, without incurring excessive costs or making disproportionate efforts. Therefore, the forward-looking approach envisaged by IFRS 9 for purposes of determining the expected loss represents a key aspect of the measurement model.

Given the above, the MPS Group uses the forward-looking approach to estimate the expected loss, both in the analytical and collective measurements. With specific regard to the exposures of the Parent Company and WIDIBA, The forward-looking approach is applied to the following statistical parameters:

- PD: Probability of Default, used for performing positions;
- LGD/EAD: Loss Given Default (LGD), used for both performing and non-performing positions measured statistically; Credit Conversion Factor (CCF) used to estimate the EAD of performing positions;

- Cure/Danger rate: used for unlikely to pay exposures other than positions statistically valued as lower than a given threshold;
- haircut for real estate collateral, used when applicable for the analytical measurement of bad loans and unlikely to pay exposures other than restructured loans.

Since the expected loss is estimated as the weighted average of a range of possible results, these parameters are first found based on historical data and then adjusted to take into account at least 3 economic scenarios that cover a horizon of at least 3 years in the future: baseline, best and worst.

The forward looking forecasts of the macroeconomic indicators, provided by a leading external consultant and internally re-formulated by the Studies and Research Function, are quantified based on three possible future scenarios, which consider the economic variables deemed relevant (Italian GDP, interest rates, unemployment rate, commercial and residential property prices, inflation, equity indices), with a future time horizon of three years to which the respective probabilities of occurrence are assigned, determined internally by the Group. The macroeconomic scenario is updated at least once a year, at the time of preparation of the separate financial statements and every time the latest base scenario shows, compared with the one already in use, a net cumulated difference of the GDP, over a 3-year period, greater than or equal to 0.5%, in absolute value. In greater detail, for the impairment of loans, in addition to the “baseline” scenario, i.e., the forecast macroeconomic scenario on the basis of which the Bank develops its projections of economic/equity and risk data over a short- and medium-term time frame, two symmetrical scenarios are assumed: an alternative severe scenario (severe but plausible) and an alternative improved scenario (best), which differ in their level of favour/adversity to economic development and growth. For more details on the macroeconomic scenarios incorporated in the calculation of expected losses of *performing* exposures, please refer to the following paragraph “Macroeconomic scenarios of the Group for the valuation of loans in the 2025 financial statements”.

The sensitivity of the statistical parameters to macroeconomic variables is estimated. In particular, the associations between the statistical parameter and macroeconomic variables are shown below:

- PD: Italian GDP, unemployment rate, interest rates, inflation, commercial and residential property prices and stock indices;
- LGD/EAD: Italian GDP, unemployment rate, commercial property prices, construction investment;
- cure/danger rates: Italian GDP and Residential property prices;
- haircut: commercial and residential property prices.

For those statistical parameters (e.g., PD) for which there is no linear relationship with the macroeconomic variable, the parameter measurement is not calculated based on the weighted average of the macroeconomic variables and using the respective probabilities as weights, but based on certain distinct measures of the parameter. In these cases, the weighted average occurs at the expected loss level.

For the estimate of expected losses over the life of the instrument, the reference period is represented by the contractual expiry date; for instruments that do not expire, the estimate of expected losses uses a time horizon estimated through a behavioural model for on-demand products and set to one year from the reporting date, in other cases.

Finally, with reference to the methodologies for estimating impairment of performing financial assets, in certain circumstances the need may arise to make temporary adjustments (management overlays), on a precautionary basis, to the results of the models adopted. That need may arise, for instance, as a result of unexpected external events that are unexpected outside the bank's control which have potential far-reaching consequences on the measurement of portfolio ECLs as a result of elements that are not adequately captured by the IFRS 9 models used. It must be noted that the IFRS 9 estimation methodologies are founded on experience-based assumptions, and are strongly anchored to historical observations, which are considered over a congruous time horizon and in a sufficiently stable backdrop. Therefore, in order to fully understand the effects of particular conditions of volatility or of possible significant economic deviations from the expected macroeconomic scenarios, including in relation to emerging risks, a specific reference framework of action was identified - duly approved by the competent management bodies - to factor in further elements to the ECL calculation that are not yet and/or are insufficiently covered by the models in use.

For further details on the model for determining expected losses on performing exposures, with particular reference to the stage assignment criteria, the method for calculating the risk parameters, the macroeconomic forecast scenarios and related probabilities of occurrence, and management overlays, please refer to the paragraph “Methods to measure expected losses” contained in “Part E - Information on risks and hedging policies” of these Notes to the financial statements.

Impairment of non-performing financial assets

As described earlier in the document, for non-performing financial assets, which are assigned a probability of default of 100%, the impairment amount for each loan is equal to the difference between the loan book value at the time of measurement (amortised cost) and the present value of estimated future cash flows, calculated by applying the original effective interest rate (or a proxy if not available). Cash flows are estimated based on expected recovery expectations over the lifetime of the loan, taking into account the presumed realisable value net of any collateral and any costs connected with obtaining the guarantee through sale. In this regard, in the event that the Group uses, for the exposures of the Parent Company and of Banca Widiba, a third party to collect non-performing loans, the fees paid to the outsourcer for activities strictly related to collection are considered for the purpose of estimating impairment losses. These costs are considered for both non-performing and performing exposures, if for the latter it is probable that in the event of a transfer to bad loans, the collection activities will be assigned to third parties. Commissions paid to outsourcers are considered in LGD estimates used for statistical measurements of all administrative stages, in collection plans for bad loans, and in analytical measurements of unlikely to pay exposures.

Below is an illustration of the assumptions adopted by the Group for estimating expected cash flows on non-performing exposures.

As regards the Parent Company and Banca Widiba, for purposes of estimating future cash flows and the relative collection times, the loans in question of a significant amount are subject to an analytical assessment process. For some similar categories of non-performing loans whose unit amount is insignificant, the measurement processes allow that loss forecasts are based on lump-sum/statistical calculation methods, to be analytically assigned to each individual position. The perimeter of exposures subject to a lump-sum/statistical measurement process, that is, based on statistical analyses of operational LGD, differentiated according to the segment and length of time in the risk state ("vintage") and suitably integrated to take into account forward-looking information, is represented by:

- bad loans and unlikely to pay exposures with exposures less than or equal to an established significance threshold of EUR 1 mln;
- total non-performing past due exposures regardless of the exposure's significance threshold. In particular, these are loans that show continuous overdrawn situations or delayed payments, automatically identified by BMPS Group's IT procedures, according to the aforementioned rules of the Supervisory Authority.

As regards Mediobanca and its subsidiaries, it is noted that, at the reference date of these financial statements, the accounting measurement of impaired loans provides, depending on the specific features of each company's business, for analytical analysis methods or methods based on identifying clusters of similar positions. In particular, it should be noted that non-performing exposures relating to Corporate, Premier and Private Banking activities, as well as mortgage exposures classified as bad loans, are subject to analytical measurement with no exposure limits; impaired exposures relating to consumer credit are instead subject to statistical measurement on the basis of PD, LGD and EAD metrics estimated using internal models and conditioned by macroeconomic factors through satellite models.

As regards Parent Company and Banca Widiba, statistical measurement is performed with specific features depending on the type of exposure concerned. In particular:

- With reference to bad loans, the statistical valuation is based on non-performing LGD grids, where the LGD model is mainly characterised by the differentiation of the loss rates, based on the permanence in the risk status ("vintage"), as well as the type of customer. The LGD grids are also differentiated by other significant analytical characteristics on the model estimation stage (e.g. technical form, type of guarantee, geographical area, exposure band, etc.). The recovery time grids, on the other hand, are broken down mainly by regulatory segment and by other significant analysis axes in the modelling (e.g. recovery procedures, exposure band, technical form).
- With reference to unlikely-to-pay and non-performing past due loans, the valuation is carried out by applying statistical LGD grids specifically estimated for positions classified in these administrative categories, in line with the LGD grids estimated for bad loans. The LGD for unlikely-to-pay and non-performing past due loans is obtained by recalibrating the bad loan LGD through the danger rate module. The danger rate is a multiplicative correction factor aimed at recalibrating the bad loan LGD with the information available on other default events, so as to obtain an LGD representative of all possible default events and their evolution.

With regard to the treatment of mass sales regarding the portfolio of Banca MPS and Banca Widiba,, the Group distinguishes between ordinary and extraordinary transactions, where the extraordinary nature of the transfers is connected to the presence of important strategic elements and significant dimensions, and is evidenced by specific decisions of the ECB. Therefore, ordinary transfers are always included in the determination of the accounting LGD as

the transfer represents an alternative collection method to a direct collection from the debtor; by contrast, extraordinary transactions are in no way considered representative of the transactions that the Group will carry out in the future, having now reached a physiological NPE ratio level and are therefore excluded from the estimation of the accounting LGD.

With reference to the loan portfolio of the Parent Company and of Banca Widiba, the analytical-specific valuation for bad loans and unlikely to pay exposures exceeding EUR 1 mln is an assessment made by the managers on the individual positions based on a qualitative-quantitative analysis of the economic and financial situation of the main debtor and the guarantors in order to identify and quantify the sources and recovery times consistent with the most likely scenario of evolution of the credit relationship, i.e. the restoration of the counterparty to performing status or, alternatively, the progressive decommitment also through the use of scheduled transfers in line with the NPE Strategy.

In particular, for bad loans, a set of factors are taken into account, which may or may not be present depending on the characteristics of the positions, and which must be assessed with the utmost accuracy and prudence, including by way of example:

- nature of the credit, preferential or unsecured;
- shareholders' equity of obligors/third parties providing collateral;
- complexity of existing or potential disputes and/or underlying legal issues;
- exposure of obligors to the banking system and other creditors;
- latest available financial statements;
- legal status of obligors and pending bankruptcy and/or individual proceedings.

To find the estimated realizable value of loans secured by real estate and to take into account both the historical collection data, differentiated between commercial and residential properties, and forward-looking considerations, in line with IFRS 9, the approach adopted is focused on the valuation of real estate in reference to the average expected auction and the corresponding reduction in the observed price, calculating the average haircuts differentiated by type of real estate guarantee (residential and non-residential).

With reference to bad property loans deriving from lease contracts, in light of the peculiarities of the product (absence of auctions), the haircut is estimated as the depreciation of the asset observed between the last available appraisal value and the expected sale price, determined on the basis of the evidence emerging from the recovery process.

The assessment of unlikely to pay exposures is based on a qualitative-quantitative analysis of the economic, equity and financial situation of the debtor and on a timely verification of the risk situation.

The impairment loss is calculated including the measurement of future cash flows that it is assumed the debtor is able to produce and which will also be used to service the financial debt. This estimate must be made on the basis of two alternative approaches:

- business continuity scenario (so-called "Going Concern Approach"): the borrower's operating cash flows (or that of effective guarantor) continue to be produced, and are used to repay the financial debts contracted, based on the scheduled repayment plans. The going concern assumption does not exclude the possible realisation of collateral, but only to the extent that this can occur without jeopardising the debtor's ability to generate future cash flows. The going concern approach also applies to cases in which the recoverability of the exposure is based on the possible sale of assets by the debtor or extraordinary transactions;
- scenario of cessation of activity (so-called "Gone Concern Approach"): applicable in cases in which it is believed that the debtor's cash flows will be significantly reduced or even in cases of reduced reliability of the corporate Business Plans. In this context, assuming that interventions by shareholders and/or extraordinary restructuring operations of the debt in a turnaround situation are not reasonable, loan collection is essentially based on the value of the collateral that supports the loan as well as, in the alternative, on the realisation value of the assets, taking into account liabilities and any rights of pre-emption.

In the case of unlikely to pay exposures secured by real estate and valued on the basis of the gone-concern scenario approach, the haircut is applied not to the entire market value of the guarantee (as in the case of bad loans) but only to the portion pertaining to the credit exposure that is expected to become bad loan; alternatively, the cure rate of the related exposures is taken into account.

The appraisals that can be used for the valuations are carried out by independent experts enrolled in Registers and/or Professional Associations and are subject to an annual update process.

By analysing alternative collection scenarios, the Group notes that, for the objectives of reducing the stock of outstanding non-performing loans included in the business plans and the commitments undertaken with Supervisory Authorities, with specific reference to the "NPL Strategy", the Group considers the sale of portfolios as the strategy that can, under certain conditions, maximise the recovery of cash flows, also in consideration of collection times.

Consequently, the estimate of expected losses of exposures that can be sold varies depending on the forecast of the recoverable flows through internal management (work-out), as well as the forecast of recoverable flows through their possible sale on the market. If the Group's business plans and strategies identify specific disposal targets and, therefore, a portfolio of non-performing loans held for sale, the loans included in that portfolio are valued, until the disposal targets are reached, by taking into account both the value recoverable through operational management and market valuations (based on external appraisals) and/or sale prices, if already defined.

In particular, if a broad portfolio of loans held for sale is identified that comprises Group-owned loans that can be sold to meet the sale targets, the book value of that portfolio is measured by weighting the value recoverable through operations against the value recoverable through sale.

Based on these considerations, the accounting model for impairment only for the Group's non-performing loans envisages a different application for:

- loans subject to ordinary collection process: application of the relevant accounting policies previously illustrated;
- loans included in the sale programme: measured with the ordinary policy plus any add-ons to adjust the portfolios to the presumable realisable value.

To determine the add-on with regard to the loan portfolios of the Parent Company and Banca Widiba, the Group considers the following elements:

- selection of the portfolios that are presumed to be sold: the perimeter includes positions with a certain attractiveness on the market that can also be inferred as a result of expressions of interest already received, as well as additional positions resulting from assessments of economic benefit performed by the Parent Company's competent bodies (e.g., presence of extended bad loans or high danger rate);
- probability of sale: the probability is guided by the target sales level included in the NPL Strategy;
- sale prices: derived from mass transactions on similar portfolios and single names made by the Group or from transactions carried out on the market in recent years.

The aforementioned add-on is not applied in the case of sales with a price constraint defined to an extent not lower than the net book value determined based solely on the ordinary collection process.

The method described above does not apply to receivables which, at the time of preparing these financial statements, have already been analytically identified as held for sale and which meet the conditions set forth in IFRS 5 for classification in the portfolio of assets held for sale. These receivables are measured according to the sale scenario only, to which a 100% probability is assigned, taking as reference the sale prices or, in any case, the information contained in contracts with counterparties (binding offers).

Within the range of possible approaches to estimation models permitted by the relevant international accounting standards, the use of a methodology or the selection of certain estimation parameters may significantly affect the valuation of receivables. These methodologies and parameters are necessarily subject to a continuous updating process, also in view of the historical evidence available, with the goal of refining the estimates to better represent the presumed realisable value of the credit exposure.

For updates introduced in the measurement of expected losses, please refer to the specific paragraph contained in the "Credit risk" section of "Part E - Information on risks and hedging policies" of these Notes to the financial statements.

In light of the above, it cannot be excluded that alternative monitoring criteria or different methodologies, parameters, assumptions in determining the recoverable value of the Group's credit exposures – also affected by possible alternative recovery strategies approved by the competent corporate bodies as well as the evolution of the economic-financial and regulatory context of reference – may determine different valuations with respect to those carried out for the purposes of preparing the consolidated financial statements as at 31 December 2025.

Incorporation of climatic and environmental risks in the determination of expected losses

One of the most complex aspects to assess, for the purposes of estimating the expected losses of credit exposures, is the actual relevance of climatic and environmental risks, given the uncertainty that inevitably characterises forecasts of events that, by nature, are likely to occur over a long-term time period.

The models currently used by the Group to calculate expected losses (ECL) do not directly incorporate the risks arising from the exposure of debtor counterparties to climate and environmental factors; however, during 2025 the Group has

continued to refine the PD, LGD and EAD models currently in use in order to be able to discriminate within them also the typical variables of climate and environmental risks.

Pending the adoption of Model Change 2024, the application request for which was approved by the ECB with a final decision in February 2026, the Group factored climate and environmental risks into the ECL calculation models for the 2025 financial year, estimating the impacts that the different transition scenarios may have on the accounting models currently in use, given that these scenarios are characterised by transition policies and implementation timeframes that may significantly affect various macroeconomic indicators. The estimate of the aforementioned risks was carried out through management overlays with respect to the evidence from the “core” model, resulting in an increase in expected losses of EUR 16.9 mln (EUR 23.4 mln as at 31 December 2024).

The subsidiary Mediobanca incorporated these risks, for financial year 2025, into the ECL calculation models through management overlays, resulting in an increase in expected losses of approximately EUR 10 mln.

Therefore, it cannot be ruled out that the possible development of models capable of more fully factoring climate and environmental risks may result in different assessments with respect to those conducted for the purposes of preparing these Consolidated Financial Statements.

For an illustration of how the Group is working to assess environmental factors in the context of lending policies, please refer to “Part E - Information on risks and hedging policies” of these Notes to the financial statements.

Methods for calculating impairment on equity investments

At the end of every reporting period, the equity investments in associates or jointly controlled entities are evaluated to check whether there is objective evidence of impairment that might render the book value of these assets not entirely recoverable.

The process of recognising impairment involves verifying the presence of indicators of possible reductions in value and calculating any write-down.

The Group alternatively uses a set of indicators based on several factors, referring to the investee, including the type of business, market listing and budget objectives. The presence of impairment indicators entails the recognition of a write-down in the amount for which the recoverable value is lower than the book value. The recoverable value is the greater of the fair value less costs to sell and the value in use. For the methods used to determine the fair value, refer to the information in chapter A.4 - Information on fair value in the Notes to the Financial Statements. The value in use is the present value of cash flows arising from the asset; it reflects the estimate of the cash flows expected from the asset, the estimate of possible changes in the amount and/or timing of cash flows, the time value of money, the price for remunerating the asset's risk and other factors that can influence the pricing, by market dealers, of the cash flows expected from the asset. In determining the value in use, the discount method applied to future cash flow is used through discount rates reflecting the cost of capital of the investee¹⁰⁸.

The impairment test carried out for the 2025 financial year did not entail the need to make Adjustments in value. For information on the book value of the main equity investments, please refer to the section entitled “Equity investments - Item 70” contained in “Part B - Information on the Consolidated Balance Sheet” of these Notes to the Consolidated Financial Statements.

Methods for calculating impairment on other non-financial assets

Goodwill posted following acquisitions is subjected to an impairment test at least once a year and whenever there are signs of impairment. The Group has chosen to perform an impairment test with reference to 31 December of each year: The results of the above tests may be considered valid for subsequent interim financial statements, unless evidence emerges that would require an impairment test to be conducted in advance to ascertain the recoverability of the value of intangible assets with an indefinite useful life.

The test is performed by considering the value of the identified cash-generating unit (CGU) and to which the goodwill has been attributed.

With reference to goodwill recognised following the acquisition of control of the Mediobanca Group in September 2025, this was allocated in full to the Mediobanca CGU pending identification, at the level of the new consolidated Group, of CGUs on an integrated basis. The carrying amount subject to testing is therefore represented by the equity of the Mediobanca Group and the goodwill provisionally determined as part of the PPA. For the purposes of the *impairment* test

¹⁰⁸ A growth rate applied to available data is used to determine future cash flows that are not made explicit in the companies' plans.

carried out as at 31 December 2025, the recoverable amount of the Mediobanca CGU was estimated using the Dividend Discount Model (DDM) and considering Mediobanca's economic and financial projections for the period June 2025–June 2028 based on the Industrial Plan communicated to the market on 27 June 2025, duly normalised to take account of the latest updated information.

As regards the goodwill allocated to the Widiba CGU, as at 31 December 2025 the *impairment test was performed on the subsidiary Widiba*. The Dividend Discount Model (DDM) in Excess Capital version, was applied to estimate the recoverable amount, identified with the value in use. The cash flows considered in estimating the recoverable amount of the CGU were based on 2025 actual data and the 2026–2027 projections underlying the RAS 2025 (approved by the Parent Company's Board of Directors on 5 February 2025) developed consistently with the 2024–2028 Industrial Plan appropriately adjusted to take account of the most recent information.

The results of the impairment test carried out as at 31 December 2025 confirmed the recoverability of the balance sheet values of goodwill with reference to both the Mediobanca CGU and the Widiba CGU, as illustrated in “Section 10 Intangible assets – item 100” contained in “Part B – Information on the consolidated balance sheet” of these Notes to the financial statements, to which reference is made for further details.

In any case, it should be noted that verifying the recoverability of this asset is a complex exercise, the results of which are affected by the valuation methods adopted, as well as the underlying parameters and assumptions, which may need to be modified to take into account new information or changes that are not expected at the date of preparation of these consolidated financial statements. For this reason, a sensitivity analysis is provided in the aforementioned intangible assets section, in order to assess whether the recoverable value will hold against alternative hypotheses and assumptions.

The property, plant and equipment and intangible assets with definite useful life are tested for impairment in the presence of any indication that the book value of the asset may not be recovered. The recoverable value is computed with reference to the fair value of the property, plant and equipment or intangible asset, net of the disposal charges or the value in use if this can be calculated and exceeds fair value.

In particular, with regards to the software, with reference to closed projects of amounts exceeding EUR 1 mln, the Group performed the recoverable value check using assumptions and estimates in line with those of the 2024 Financial statements. The impairment test conducted as at 31 December 2025 was based on the monitoring of specific key performance indicators (KPI), identified when the projects were closed, in order to verify the economic benefits assumed in the reference business case. The outcome of the monitoring showed values of these KPIs exceeding the reference thresholds set in the business cases for all projects. For projects with a value below the aforementioned threshold, and without specific KPIs, the impairment test of the related software was conducted in continuity with previous years and resulted in the recognition of an impairment loss of EUR 2.5 mln. If the conditions are met, the value in use of the assets acquired through leasing is subject to impairment testing. The test is performed when the following events or situations occur: full/partial abandonment, underuse or non-use of the leased asset. In addition, it is necessary to refer to indicators from internal sources such as signs of obsolescence and/or physical deterioration of the asset, restructuring plans and closures of branches and external sources such as, for example, the increase in interest rates or other rates of return on the market for investments that may cause a significant decrease in the recoverable value of the asset. The outcome of the above checks as at 31 December 2025 resulted in the recognition of a net write-down of EUR 1.0 mln under “Impairment losses/reversals on property, plant and equipment”.

For information on the rights of use acquired through leasing, please refer to the section “Property, plant and equipment - Item 90” contained in “Part B - Information on the consolidated balance sheet” of these Notes to the Consolidated Financial Statements.

Determination of the fair value of property

Real estate used in the business (IAS 16) and real estate held for investment purposes (IAS 40) are valued in accordance with the revaluation criterion and the fair value criterion, respectively. For this perimeter, the fair value update is determined in accordance with IFRS 13 through the use of specific appraisals prepared by qualified and independent experts, which, depending on the relevance of the individual real estate unit, are conducted in two different alternative ways:

- so-called “full” appraisals: based on a physical inspection of the property assets by the appraiser; or
- “desktop” appraisals, based on an assessment performed with no physical inspection of the property asset and, therefore, based on reference market values.

The valuation methodologies applied by the appraiser in the valuation are in line with international IVS (International Valuation Standards) practice, with what is prescribed in the latest edition¹⁰⁹ of the Red Book of the Royal Institute of Chartered Surveyors (RICS) of the United Kingdom, and are adhered to as required by IFRS 13. The accounting standard requires, in particular, for non-financial assets that the current use by the owner meets the requirement of highest and best use, unless the market expects a different use for the property that would therefore optimise its value. The valuation approach was therefore specified by the expert appraiser based on the current intended use of the properties, assuming this represents the highest and best use, and considering, in a few cases, alternative uses of the properties where this corresponds to market expectations. Therefore, to find the value of each property, the appraiser identifies the most suitable methodology according to the characteristics of the asset and the conditions of the reference market. The methodologies applied by the appraiser are as follows: Discounted cash flow (DCF) method; Market comparison approach (MCA); Transformation method with DCF analysis. In this context, the lease payments, sale prices, discount rates and capitalisation rates were estimated.

With reference to the ESG issue, in which the environmental issue is included, the RICS valuation standards specify the actions to be followed by the appraiser with regard to on-site inspections and the collection of data useful for assessing this aspect. The range of issues to be addressed includes, among others, major physical hazards (floods, heat, fire and storms) and transient hazards (energy efficiency, carbon emissions, climate impact). The impact of these risks is affected by current and historical use of the territory, as well as design, configuration, accessibility, legislation as well as management according to tax regulations.

As at 31 December 2025, the fair values of the entire real estate assets were updated, which is done at least semi-annually unless market situations and/or special conditions make it advisable to bring forward the valuation appraisals from the standard periodicity.

In light of the above, it cannot be ruled out that the use of different methodologies or estimation parameters, influenced by forecasts relating to the reference scenarios of the property market relevant to the Group as well as by the strategies with which the Group may manage its property assets, including through the disposal of portfolios, may lead to valuations different from those made for the 2025 financial statements, with consequent negative impacts on the Group's balance sheet and income statement.

The results of the valuations carried out as at 31 December 2025 are illustrated in the section "Property, plant and equipment – item 90" contained in "Part B – Information on the consolidated balance sheet" of these Notes to the Consolidated Financial Statements, to which reference is made for further details. For an in-depth analysis of the valuation approach, valuation methods and the selection of estimation parameters that can significantly influence the calculation of fair value, reference should be made to the specific qualitative and quantitative disclosure in Part A.4 - "Information on fair value".

Methods for determining insurance liabilities

Insurance liabilities consist of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC). Under IFRS 17, the LRC represents the measurement of the obligation relating to insurance coverage services still to be provided to policyholders, based on existing contracts. The LIC represents the obligation to pay compensation for insured events that have occurred (even if not yet reported) and for insurance services already provided. This item therefore includes the actuarial estimate of expected cash flows for the payment of claims, as well as future expenses directly attributable to the management and settlement of those claims. These estimates are based on actuarial methodologies consistent with the nature of the life and non-life portfolios, using, amongst other things, historical claims analysis, development models such as run-off triangles, and the practices adopted by the Company in the management and settlement of claims. The estimated elements include the expected claims trend, the discounting of cash flows using appropriate discount rates, and the adjustment for non-financial risk. These assessments involve an inherent degree of uncertainty and are updated periodically on the basis of observed experience and new information available.

Methods for recognising deferred tax assets (probability test)

The Group verifies the possibility of recognising tax assets based on a probability test, as described below.

Future taxable income, which is calculated for the purposes of recovering deferred tax assets, is determined as follows:

¹⁰⁹ The updated version was published in December 2024 and entered into force on 31 January 2025.

- a) for the three-year period following the balance sheet date, based on the expected evolution of the Group's income statements derived from the combination of the 2024–2028 and 2025–2028 business plans approved, respectively, by Banca MPS and Mediobanca,
- b) after the first three years and up to the twentieth year, by projecting forward the pre-tax profit of the Bank and of the Group, revalued at a growth rate (g) of 2% per annum, which allows for a Group average return on equity (ROE) that does not exceed the average ROE recorded in the banking sector over the last 20 years.

In order to reflect the uncertainty associated with realising the economic benefits assumed, a discount factor is used based on data observable on the market and consistent with the risk metrics of the investment in Banca MPS shares. This discount factor was equal to 9%¹¹⁰ at 31 December 2025, unchanged with respect to the one used for the financial statements as at 31 December 2024; in view of this uncertainty, it is believed that the time period considered for the purposes of the taxable income test, the realisation of which is considered likely, cannot exceed 20 years.

In any case, the framework of the probability test is consistent with that of the impairment test used for the measurement of goodwill, except for the specifics related to regulatory requirements (IAS 12 and IAS 36, respectively) such as, for example, the possibility in the probability test to take into account business restructuring and reorganisation actions included in the forecast plans, which is not considered in the goodwill impairment test. For more information reference should be made to paragraph "Impairment test on Group goodwill" included within Section 11 of the consolidated assets of these Notes to the Financial Statements.

The development of the probability test, where applicable, takes into account the national tax consolidation agreements, for the Group companies participating in them, and the option exercised in the tax return with respect to the possible allocation of residual tax losses in the event of early termination of group taxation.

For more information, see Section 11 "Tax assets and tax liabilities" contained in "Part B - Information on the Consolidated Balance Sheet" of these Notes to the Financial Statements, which also provides information on the breakdown of deferred tax assets and the checks carried out on their recoverability, on the sensitivity analyses aimed at allowing an appreciation of the time frame of their recovery, depending on reasonable variations in the main underlying assumptions.

Impacts of the conflicts in Ukraine and the Middle East

In accordance with the recommendations expressed by the supervisory authorities (ESMA and CONSOB)¹¹¹, which aim to ensure proper oversight of the valuation issues impacted by the conflicts in question and to guarantee full and transparent disclosure in the Financial Statements, evidence is given below of the Group's directly or indirectly impacted credit exposures.

Russia and Ukraine

The impacts directly related to the Russia-Ukraine conflict on the Group are marginal, given that there are no operating activities located in these territories and that credit exposures to customers resident in the above countries, or indirectly related to Russian or Ukrainian counterparties, amount, as at 31 December 2025, to a total of EUR 4.0 mln, of which EUR 0.8 mln classified in stage 3 and EUR 3.2 mln, entirely relating to the subsidiary Mediobanca, classified in stage 1.

With reference to other risks, exposures denominated in Russian currency are immaterial, and no negative change has been observed in the main liquidity indicators.

With reference to the indirect impacts on credit quality, it should be noted that during the 2025 financial year, in line with 2024, no interventions were required other than those already envisaged as part of ordinary credit monitoring activities.

Middle East

With regard to the Israel-Palestine crisis, the risks specifically relating to the countries directly involved in the conflict are also marginal. More specifically, the credit exposure to counterparties in Israel and Palestine amounted to EUR 1.7

¹¹⁰ Changes to the discount factor are considered when the average of the last 3 years of the rate calculated at the reference date deviates by at least ±1% from the last rate used.

¹¹¹ See, in particular, the documents "ESMA Public Statement: ESMA coordinates regulatory response to the war in Ukraine and its impact on EU financial markets – 14.03.2022", "ESMA: Public Statement – Implication of Russia's invasion of Ukraine on half-yearly financial reports – 13.05.2022" "ESMA: European common enforcement priorities for 2022 annual financial reports – 28.10.22", "CONSOB draws the attention of supervised issuers to the impact of the war in Ukraine based on insider information and financial reporting - 22 March 2022" and finally "Warning Notice No. 3/22 of 19 May 2022".

mln at 31 December 2025 (EUR 3.3 mln at 31 December 2024). As far as market and counterparty risk is concerned, there is no material exposure to be reported at the end of 2025.

If the analysis is extended to neighbouring countries who could potentially become involved (Egypt, Lebanon, Iran and Qatar), the actual risk level is nevertheless low: Direct exposure to counterparties in the aforementioned countries, for drawdowns of authorised lines of credit, amounts to approximately EUR 6.7 mln, while indirect risks for issued guarantees amount to approximately EUR 11.6 mln.

Macroeconomic forecasts for 2026, 2027 and 2028

On 18 December 2025, the ECB published the regular update of the macroeconomic projections for the euro area prepared by its *staff* with the contribution of the individual national central banks, forecasting a substantial resilience of the economy in the euro area in the coming years despite significant geopolitical and economic uncertainties. Economic expansion will be supported mainly by domestic demand, driven by consumption – supported by higher real wages, employment and the easing of financing conditions – and by fiscal stimulus measures related to investment in defence and infrastructure; On the external demand front, a recovery in exports is expected due to a context of lower uncertainty regarding trade policies, despite the gradual emergence of the effects of higher tariffs.

In the baseline scenario, which assumes a context in which commodity prices and rate curves decline and the euro/dollar exchange rate remains constant, productivity growth is expected over the three-year period 2026-2028. Overall, average annual real GDP growth would stand at 1.4% in 2025 (1.2% in September), 1.2% in 2026 (1.0% in September), and 1.4% in both 2027 and 2028 (September 2027 forecast: 1.3%).

On the inflation front, overall inflation measured by the HICP is expected to decrease over the next two years from 2.1% in 2025 (2.5% in September) to an average of 1.9% in 2026 (2.2% in September) and 1.8% in 2027 (unchanged from September), before experiencing a slight temporary increase to an average of 2.0% in 2028 as a consequence of budgetary measures related to the ecological transition.

In the adverse scenario, which assumes a context in which commodity prices increase, real GDP growth in the euro area is estimated to be 0.1 percentage points lower over the three-year period compared with the baseline scenario. HICP inflation in the euro area would rise by 0.5 percentage points in 2026 and 2027 and by 0.3 percentage points in 2028.

The specific scenario for Italy, included in the base scenario of the ECB projections, was released by the Bank of Italy in the document “Macroeconomic projections for the Italian economy” published on 19 December last year and confirmed in the Economic Bulletin of 16 January 2026. The scenario envisages a slight strengthening of output from the fourth quarter of 2025, mainly thanks to the favourable trend in consumption and contained inflation. On an annual average, GDP would increase by 0.6% in 2025 and 2026, by 0.8% in 2027 and by 0.9% in 2028.

Consumer inflation is expected to average 1.7% this year and to fall to 1.4 in 2026. In 2027-28, the entry into force of the new system for trading allowances for pollutant and greenhouse gas emissions in the European Union (EU Emission Trading System 2, ETS2) would lead to higher prices for energy goods, temporarily pushing consumer inflation to an annual average of 1.6% and 1.9% in 2027 and 2028, respectively.

Macroeconomic scenarios of the Group for the valuation of loans in the 2025 financial statements

In December 2025, the Group approved a set of forecast macroeconomic scenarios for the period December 2025–December 2028 developed internally, also taking as reference the forecasts formulated by external *providers* in October 2025. These scenarios were used as part of the ordinary annual planning process and the calculation of Adjustments to the value of performing and non-performing loans as at 31 December 2025.

It should be noted that, in order to reflect the greater uncertainty of the recent period in its estimates, the Group had made an initial update of the macroeconomic scenarios compared to those used as at 31 December 2024, starting from the interim report on operations as at 31 March 2025, in order to capture the greater uncertainty of the recent context.

With reference to Mediobanca, the same macroeconomic scenario adopted by the Parent Company was used to calculate value adjustments.

The set of forecast macroeconomic scenarios used for these Consolidated Financial Statements is more conservative both compared to the scenarios adopted by the Group starting from March 2025 – based on forecasts formulated by an external provider in January 2025 – and compared to the above-mentioned 2026–28 macroeconomic forecasts provided by the Bank of Italy.

The baseline scenario approved by the Group shows a higher level of conservatism compared to the forecasts published by the Bank of Italy in December 2025, in particular, for the years 2027 and 2028, GDP growth is expected to be 0.45% (0.8% Bank of Italy) and 0.52% (0.9% Bank of Italy). In addition to the baseline scenario, in light of the objective uncertainty present regarding the evolution of the economic context and the provisions of the Regulators, further alternative scenarios have been outlined, in detail an alternative more negative scenario (severe but plausible) and an alternative improved scenario (so-called best case scenario).

In line with the approach adopted starting from March 2025, for the ECL estimate the asymmetric treatment was applied, considering only the “Baseline” and “Severe but Plausible” scenarios – weighted at 66.6% and 33.3% respectively – instead of the three scenarios (“Best”, “Baseline” and “Severe but Plausible”) weighted at 21.05%, 52.63% and 26.32% respectively, which were used for the estimates as at 31 December 2025, in order to further align the three-year forecasts with the changed macroeconomic context characterized not only by the continuation of the conflict in Ukraine but above all by the escalation in the Middle East – culminating in recent U.S. and Israeli actions against Iran – and by persistent trade tensions between the European Union and the United States, which have helped make the international trade environment more unstable and costly. The adoption of this approach resulted in additional adjustments totalling EUR 12.8 mln.

The more severe alternative scenario (severe but plausible) assumes a resurgence of geopolitical tensions, marked both by the continuation of the war in Ukraine and by uncertainties relating to US tariff policies. In this scenario, energy commodity prices increase due to tensions in supply chains, and global trade is penalised. Italy would be among the European countries most exposed to the negative effects of the tariff policy, with only marginal GDP growth in 2026-27, and with investment and exports more adversely affected than consumption.

The improved alternative (best) scenario, instead, assumes an easing of geopolitical tensions both in the Middle East and in Ukraine, with a stable truce in both countries and a relaxation of the international climate, with a less aggressive approach by the US administration. In this scenario, the average increase in prices in euro area countries would be contained, including the energy component, with inflation remaining within the target indicated by monetary policy. In this context, Italy would see stronger growth in domestic and external demand, with growth in Italian economic activity.

For information on the performance of macroeconomic variables in the scenarios described above, please refer to “Part E - Information on risks and hedging policies, section 1.1 Credit risk, paragraph 2.3 Methods for measuring expected losses” of these Notes to the Financial Statements.

The table below shows, by way of example, the Group scenario updates made in December 2025 on the GDP indicator, with a comparison with the baseline scenario published by the Bank of Italy in December 2024 and with the scenarios used in the first nine months of 2025.

	Dec 25			Bulletin Dec 25	Mar 25		
	GMPS			Bankit	GMPS		
	Baseline	Severe but plausible	Best	Baseline	Baseline	Severe but plausible	Best
2025	n.a	n.a	n.a	0.6%	0.65%	0.11%	1.32%
2026	0.66%	0.07%	1.48%	0.6%	0.71%	0.14%	1.38%
2027	0.45%	0.08%	0.83%	0.8%	0.53%	0.13%	1.04%
2028	0.52%	0.16%	0.99%	0.9%	n.a	n.a	n.a

The update of the macroeconomic scenarios led to the recognition of higher provisions for EUR 11.3 mln.

Finally, with reference to risk parameters, it should be noted that during 2025 the PD, LGD and EAD models, as well as the on-demand products model, used for IFRS 9 accounting measurements, were recalibrated to ensure model robustness and reflect the current conditions of the economic cycle. These updates resulted in higher provisions in financial year 2025 totalling EUR 16.6 mln.

For further details on the model updates, please refer to the information provided in the section Credit Risk – paragraph “2.2 Management, measurement and control systems” of Part E of these Notes to the consolidated financial statements.

Management overlays

With regard to management overlays, the Group has decided, for the purposes of these Consolidated Financial Statements as at 31 December 2025, to operate with substantial methodological continuity compared with previous financial years. It should be remembered that, as at 31 December 2024, “post-model adjustments” had been applied to the results of the ECL estimation methods, within the framework of flexibility allowed by IFRS 9 and in light of the greater prudence necessary in relation to emerging risks deriving from the current and forward-looking contexts. The overlays were necessary to integrate the results of the models in production, in order to better capture the uncertainties and risks inherent in the forecasts as well as the observed/predicted deviations from the long-term historical series.

It should be noted that, compared to what was done in the preparation as at 31 December 2024: (i) the adjustment applied to variable-rate retail mortgages classified in stage 2 was discontinued, as the default rates observed in 2025 on variable-rate mortgages showed no signs of significant deviation from the long-term historical series, and (ii) the asymmetric treatment of scenarios described above was introduced starting from the first quarter of 2025 in order to further align the three-year forecasts with the changed macroeconomic context and (iii) the adjustments adopted by Mediobanca and its subsidiaries in place as at the third quarter of 2025 were updated.

Also, have been confirmed for the 2025 financial year the inclusion of climate and environmental factors in credit risk estimates – in line with requests received from ESMA 2023 – by incorporating, into the adopted baseline macroeconomic model, the macroeconomic indicators observed under the “Sudden Wake-up call” climate scenario updated in November 2025 and considered more conservative than the “Net Zero 2050” climate scenario update already used for the overlay as at 31 December 2024. The new scenario envisages achieving the Net Zero 2050 target through a short but intense recession triggered by a sudden climate transition shock due to a trigger event (e.g., green elections or a natural disaster) that leads to stringent policies, causing a rapid shift of capital from fossil fuels to green assets, generating a sudden market collapse, a confidence crisis and financial turbulence, with negative impacts in terms of global GDP and higher energy prices. The application of these corrections to the baseline scenario led to higher provisions, in relation to the exposures of the Parent Company and of Banca Widiba, for a total of EUR 16.9 mln, down EUR 6.5 mln compared to the EUR 23.4 mln as at 31 December 2024.

Finally, the back-testing analyses carried out on the expected loss rate of individual models, by comparing LGD rates estimated on a historical basis with the actual loss rates observed on positions closed in the three-year period from December 2021 to December 2024, showed overall conservative provisioning, both statistical and analytical. However, the analysis showed for some clusters of the statistical LGD effective rates slightly higher than those estimated entailing the recognition of higher provisions amounting to EUR 113.0 mln as at 31 December 2025 (EUR 20.6 mln as at 31 December 2024).

As part of the PPA activities arising from the acquisition of the Mediobanca Group, misalignments emerged in risk classification on common customers, mainly in the Retail segment, attributable to different credit policies adopted. These misalignments are mainly linked to exposures classified as in default by the Mediobanca Group that present a total past-due/overdrawn exposure portion – i.e., including the portion held by the Group – below the absolute and relative default thresholds provided for by regulations. These exposures, pending the definition and implementation during 2026 of the new classification rules for the new MPS Group, were prudently reclassified to stage 2, resulting in an increase in exposures classified in this risk stage of EUR 102.7 mln and corresponding higher provisions of EUR 0.9 mln.

For the remaining exposures, i.e., those with a total past-due/overdrawn exposure portion above the default thresholds, in December a specific analysis was carried out on the higher-amount exposures, resulting in the reclassification of exposures (i) to stage 2 totalling EUR 7.5 mln (equal to 38% of the sample) with higher provisions of EUR 0.1 mln and (ii) to stage 3 totalling EUR 5.7 mln (equal to 29% of the sample) with higher provisions of EUR 1.6 mln. The percentage reclassified to default observed in the sample (29%) was also projected onto the exposures above the threshold not subject to specific analysis, with further higher provisions of EUR 1.3 mln.

Overall, the management overlays adopted for accounting measurements of Parent Company and Widiba as at 31 December 2025 led to additional loss provisions of approximately EUR 146.6 mln (approximately EUR 69.2 mln as at 31 December 2024) and an increase in stage 2 of EUR 110.2 mln.

As previously indicated, the adjustments adopted by the former Mediobanca Group in place as at the third quarter of 2025 were updated. Specifically, as at 31 December 2025 have been maintained additional provisions of approximately EUR 164.1 mln, mainly in order to include in coverage levels the persistent uncertainties in the geopolitical and macroeconomic context (EUR 39.4 mln), expectations of a gradual rise in default rates towards post-Covid structural levels (EUR 75.5 mln), particularly for consumer credit, and climate risk (EUR 10.0 mln). The remaining portion of management overlays (EUR 39.2 mln) was retained mainly to cover effects related to process changes concerning the NPL portfolio relating to consumer credit not yet incorporated in the ECL calculation.

Taking account of these updates at the reference date of these financial statements, higher loss provisions of EUR 310.7 mln are observed, of which EUR 164.1 mln relates to the Mediobanca Group.

For more information on the assumptions used for the estimates, the composition of management overlays and their trends compared to the previous year, as well as the sensitivity analysis with respect to alternative scenarios, please refer to "Part E - Information on risks and hedging policies, section 2 - Risks of the prudential consolidation, 1.1 Credit risk, paragraph 2.3 Methods for measuring expected losses" in these Notes to the financial statements.

Inclusion of government guarantees

Finally, with regard to the treatment of government guarantees, it should be noted that, in accordance with the guidance of the Authorities, these did not impact the calculation of the SICR - since the latter does not depend on the guarantees, but on the creditworthiness, which remains specific to the counterparty; they have instead affected the estimate of the ECL, through the use of an LGD parameter that takes into account the government mitigation measures. This approach derives from the assessment carried out on the characteristics of the guarantees that allow them to be considered as an integral part of the contract pursuant to IFRS 9.

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Disclosure on public funding pursuant to Article 1, paragraph 125 of Italian Law no. 124 dated 4 August 2017 ("Annual Law for the Market and Competition")

It should be noted that, as of the reporting date of these financial statements, in the National Register of State Aid, the grants received by the Group for the year 2025 are present and publicly available in the Transparency section "Individual Aid", mainly for training activities provided for a total of EUR 3.0 mln. In this regard, it should be noted that, in line with the provisions of the law, economic benefits below the threshold of EUR 10,000 (threshold referring to the total benefits that the Parent Company or each Group company received from the same authority in the year 2025 in a single deed or in a plurality of deeds) are not reported.

For more details, please refer to the following link: https://www.rna.gov.it/sites/PortaleRNA/it_IT/trasparenza.

It should also be noted that EUR 0.2 mln was received in 2025 by the subsidiary MPS Tenimenti Poggio Bonelli e Chigi Saracini Società Agricola S.p.A., in the form of grants and bonuses to support agricultural production in the European Union countries.

A.3 Information on portfolio transfers

The tables on transfers between portfolios of financial assets were not created, as in the 2025 financial year, as in previous years, the Group did not carry out any reclassification transactions following the change in the Business Model, that is to say of the procedures used by the Group to manage financial instruments.

A.4 – Information on fair value

Qualitative information

IFRS 13 defines fair value as the price that would be received for the sale of an asset or that would be paid for the transfer of a liability in a regular transaction among market operators operating on a going concern basis (that is, not in a forced liquidation or a sale below cost) at the conditions prevailing on the valuation date in the main or most advantageous market (exit price). The Group must measure the fair value of an asset or liability by adopting the assumptions that market participants would use in determining the price of the asset or liability, assuming that they act to best meet their economic interests.

For the purposes of measuring financial and non-financial assets and liabilities at fair value, IFRS 13 defines a threefold hierarchy of fair value, based on the source and quality of the inputs used. The methods for classifying financial instruments in the three-level fair value hierarchy are shown below.

Level 1

This level shall include financial instruments measured using unadjusted quoted prices in active markets¹¹² for identical instruments.

Levels 2 and 3

An instrument is classified in level 2 if all significant inputs are directly or indirectly observable on the market. An input is observable if it reflects the same assumptions used by market participants, based on independent market data.

Level 2 inputs are as follows:

- a) quoted prices on active markets for similar assets or liabilities;
- b) quoted prices for the instrument in question or for similar instruments on non-active markets, i.e. markets where: (i) there are few transactions, (ii) prices are not current or vary substantially over time and between different market makers, or (iii) little information is made public;
- c) observable market inputs other than quoted prices (e.g.: interest rates or yield curves observable in different buckets, volatility, credit curves, etc.);
- d) inputs that derive primarily from observable market data, the reporting of which is confirmed by parameters such as correlation.

A financial instrument is classified in level 3 if the measurement techniques adopted use non-observable market inputs and their contribution to estimating fair value is deemed significant. All financial instruments not listed in active markets are classified in level 3 where:

- despite having observable data available, significant adjustments based on non-observable data are required;
- the estimate is based on internal assumptions on future cash flows and risk adjustment of the discount curve.

For financial instruments, measured at fair value in the financial statements, the Group has adopted a “Fair Value Policy”¹¹³ that assigns the highest priority to prices listed on active markets (level 1) and the lowest priority to the use of non-observable inputs (level 3), as they are more discretionary, in line with the fair value hierarchy represented above. Following the acquisition of the Mediobanca Group, a process is under way to harmonise valuation methodologies and the classification criteria for financial instruments pursuant to IFRS 13; pending completion of the activities, on the scope of shared financial instruments as at 31 December 2025, comparative analyses were performed against the methodologies adopted by the MPS Group, which showed substantially immaterial impacts.

For financial instruments included exclusively in the Mediobanca Group portfolio, the methodologies and criteria for assigning fair value levels envisaged by the Mediobanca Group fair value policy have been retained.

In detail, this policy defines:

¹¹² Pursuant to IFRS 13, a financial instrument is quoted in an active financial market when:

- the quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, authorised body or regulatory agency;
- the quoted prices represent actual and regularly occurring market transactions on an arm's length basis.

- the rules for identifying market data, the selection/hierarchy of information sources and the price configurations to value the financial instruments contributed on active markets and classified at level 1 of the fair value hierarchy;
- valuation techniques and related input parameters in all cases in which this is not possible due to absence of directly observable prices on markets considered active.

In determining fair value, the Group uses information based on market data obtained from independent sources, where available, as this is considered the best evidence of fair value. In this case, fair value is the market price of the instrument being measured (i.e. without modifying or remeasuring the same instrument), which can be inferred from the prices expressed by an active market (classified in level 1 of the fair value hierarchy). In the absence of an active market price or a regularly functioning market (i.e. when the market does not have a sufficient and continuous number of transactions), the fair value of a financial instrument is arrived at from the prices observed in recent transactions involving similar instruments in active markets (adjusted as appropriate for differences in instruments and market conditions), rather than from the prices of recent transactions involving an identical instrument as that being measured on non-active markets; in the absence of observable transaction prices for the instrument being measured or similar instruments, a valuation model must be adopted.

Classification in level 2 rather than level 3 is determined on the basis of market observability of the significant inputs used to determine fair value. A financial instrument must be classified in its entirety in a single level; therefore, if inputs belonging to different levels are used in the valuation technique, the entire valuation must be classified in correspondence with the level of the hierarchy in which the lowest level input is classified, if it is considered significant for the determination of the fair value as a whole.

The following types of investments are normally considered as level 2:

- equities not listed on active markets, valued using the market multiples technique, or valued on the basis of actual transactions that occurred within a time frame reasonably close to the reference date;
- OTC derivative financial instruments, if the inputs of the pricing models, used to determine the fair value, are observable on the market or, if not observable, are considered such as not to significantly affect the measurement of fair value;
- third-party debt securities or own issued not listed on active markets whose inputs, including credit spreads, are obtained from market sources.

The following financial instruments are generally considered level 3:

- hedge funds characterised by significant levels of illiquidity and for which it is believed that the process of valuation/disposal of the fund's assets requires, to a significant extent, a series of assumptions and estimates. The fair value measurement is carried out on the basis of the adjusted NAV to take into account the low liquidity of the investment;
- alternative investment funds for which the discounted cash flow is used;
- private equity and real estate funds valued on the basis of the last available NAV, adjusted if necessary to take into account events not included in the valuation of the unit or to reflect a different valuation of the assets underlying the fund;
- equity securities for which no recent or comparable transactions can be observed, and valued on the basis of the equity or income model;
- debt securities, ABS and derivative transactions characterised by complex financial structures for which publicly unavailable sources are generally used;
- debt securities issued by parties in financial difficulty for which the "recovery rate" must be estimated;
- financial instruments represented by OTC derivatives for which the non-observable input parameters used by the pricing model are considered significant for the purposes of measuring the fair value;
- performing and non-performing medium/long-term loans valued on the basis of expected cash flows estimated with different models depending on the status of the counterparty and discounted using a market interest rate.

For information on the fair value of non-financial assets, attributable to property, plant and equipment represented by properties, please refer to the following paragraph.

A.4.1 Fair value level 2 and 3: measurement techniques and inputs used

The following tables show, respectively, for Level 2 and 3 financial instruments, the accounting portfolio, a summary of the types of instruments in use at the Group, and evidence of the related valuation techniques and the inputs used.

item	Fair value level 2 as at 31 12 2025							type	Valuation techniques	Inputs used
	Financial assets held for trading	Other financial assets mandatorily measured at fair value	Financial assets measured at fair value through other comprehensive income	Hedging derivatives	Financial liabilities held for trading	Financial liabilities designated at fair value	Hedging derivatives			
Debt securities	1,052,157	1,507	109,423	X		4,057,770	X	Bonds	Discounted Cash Flow	Interest rate curves, CDS curves, Base (yield), Inflation curves
								Structured bonds	Discounted Cash Flow	Interest rate curves, CDS curves, Base (yield), Inflation curves + inputs necessary to measure optional component
								Bonds/Notes	Market price	Market price
Equity instruments	42,894		10,041	X	X	X	X	Share/equity instruments	Market price	Market price, Recent transactions, Appraisals, Manager reports
								Equity instruments	Discounted cash flow	Share price, Beta sector, Free risk rate
								Equity instruments	Net asset adjusted	Carrying Amount Asset/Liabilities
Units of UCITS		1,577	X	X	X	X	X	Funds/Private Equity	Nav Investor report	Management report, technical data sheet for assets held in the portfolio
Loans		7,630		X	X	X	X	Repo Trade	Discounted Cash Flow	Interest rate curve
Debt	X	X	X	X	77,583	1,006,737	X	Uncovered short position	Market price, Interest rate curves, CDS curves	Market price, Comparable approach
					24,864			Due to customers		
Financial Derivatives	4,518,595	X	X	802,187	3,378,585	X	852,204	IRS/Asset/Currency Swaps	Discounted Cash Flow	Interest rate curves, CDS curves, Base (yield), Inflation curves, Exchange rate, Interest rate correlation
								Equity swaps	Discounted Cash Flow	Share price, Interest rate curve, Exchange rate
								Forex Singlename Plain	Option Pricing Model	Interest rate curve, exchange rate, Forex volatility
								Forex Singlename Exotic	Option Pricing Model	interest rate curve, exchange rate, Forex volatility (Surface)
								Equity Singlename Plain	Option Pricing Model	Interest rate curve, Share price, Exchange rate, Equity volatility
								Equity Singlename Exotic	Option Pricing Model	Interest rate curves, share price, Exchange rate, Equity volatility (surface), Model/parameters
								Equity Multiname Plain	Option Pricing Model	Interest rate curve, Share price, Exchange rate, Equity volatility, Quanto correlation, Equity/Equity correlation
								Equity Multiname Exotic	Option Pricing Model	Interest rate curve, Share price, Exchange rate, Equity volatility (Surface), Parameters models, Quanto correlation, Equity/Equity correlation
								Plain rate	Option Pricing Model	Interest rate curves, Inflation curves, Bonds price, Exchange rate, Rate volatility, Rate correlations
Credit Derivatives	184,047	X	X		652,492	X		Spot/forward	Market price*	Market price, Swap Point
								Default swaps	Discounted Cash Flow	CDS curves, Interest rate curves
Total assets	5,797,693	10,714	119,464	882,187	X	X	X			
Total liabilities	X	X	X	X	4,133,524	5,064,507	852,204			

*prices for identical financial instruments listed in non-active markets (IFRS 13 par. 82 lett. b).

Fair value level 3 as at 31 December 2025									
Items	Other financial assets mandatorily measured at fair value	Other financial assets mandatorily measured at fair value	Financial assets measured at fair value through other comprehensive income	Hedging derivatives	Financial liabilities held for trading	Type	Valuation techniques	Unobservable inputs	Range (weighted average)
Debt securities	433,091	16,977	33,788	X	-	Notes	Discounted Cash Flow	Discount rate	8%
						Participating financial instruments	Credit Model	Fair value asset	0-0.8 Eur/mln
						Participating financial instruments	Credit Model	Credit Data (LGD/PD)	0-12.5 €/mln
Equity instruments	308	19,051	242,954	X	X	Investments	Discounted Cash Flow	Liquidity base/Equity Risk Premium/Beta	20%/8%/0.4
						Investments	Cost/Net equity	Fair value asset	0-12.6 Eur/mln
Units of UCITS	5,052	692,598	X	X	X	Closed-end Fund	External pricing	Fair value assets	5.1 €/mln
						Real estate closed-end Fund	External pricing (management report)	Book value	237 €/mln
						Alternative Investment Fund	Discounted Cash Flow	Discount rate	8.09% - 10.30%
						Private Equity funds	NAV Investor report	Management report, technical data sheet for assets held in the portfolio	0.03-8.16€/mln
Loans	36,839	129,919	-			Loans	Discounted Cash Flow	NPE spread	1.92% - 2.13%
						Loans	Discounted Cash Flow	LGD	0.08% - 80.87%
						Loans	Discounted Cash Flow	PD	0.07% - 33.48%
						Loans	Discounted Cash Flow	PE spread	0.18% - 0.82%
Financial derivative	3,954	X	X	0	31,910	OTC Equity basket option*	Black-Scholes' model local Vol	Implied volatility	Fair value 15.08 €/mln
						Put options as collateral for pension fund*	Black-Scholes' model	Projections of future premium flows and mortality rates	Net Fair value 15.66 €/mln
Credit derivative	1,521	X	X	0	6,644	Single Names CDS with Recovery Rate 0	Arbitrage Free Credit Spread Model	Recovery Rate	
Total assets	480,765	858,545	276,742	0	X				
Total liabilities	X	X	X	X	38,554				

*valuation technique adopted by the Mediobanca Group

The techniques and parameters for calculating the fair value, as well as the criteria for assigning the fair value hierarchy, are defined and formalised in the aforementioned "Fair value policy" adopted by the Group. The reliability of fair value measurements is also ensured by the verification activities carried out by a Risk Management structure, independent of the front office units that hold the positions, which periodically reviews the list of pricing models to be used for the purposes of the fair value policy. These models must represent market standards or best practices and the related calibration techniques must guarantee a result in line with valuations able to reflect "current market conditions". Specifically, to correctly determine the fair value, for each product a pricing model is associated, generally accepted by the market and selected on the basis of the characteristics and market variables underlying the product. With particularly

complex products or if the existing valuation model for products in use is deemed to be lacking or inadequate, an internal process is activated to supplement the current models. On the basis of this process, the Risk Management department carries out a first validation of the pricing models, which may be native to the Position Keeping system or be issued by a specific internal unit; this is followed by a stage in which the same unit ensures the reliability of the previously validated model.

In detail, the validation activity, carried out on a range of instruments identified above certain materiality thresholds, is aimed at verifying the theoretical robustness of the model, through an independent repricing of the price, a possible calibration of the parameters and a comparison with the prices of the counterparties.

Following the validation stage, an ongoing review is carried out to confirm the accuracy and alignment to the market of the pricing models used by the Group, and appropriate changes are made, if necessary, to the models and the related underlying theoretical assumptions. To address the risk that the pricing models, even if validated, may generate fair value values that are not directly comparable with market prices, an adjustment is made for "Model risk", as described below.

With regard to the financial instruments in the Mediobanca Group portfolio as at 31 December 2025, a verification activity was performed by the Parent Company's Risk Management function on prices and on the fair value level of the positions in common; The analyses performed confirmed the consistency of the classification and measurement of these positions within the Group.

Financial assets and liabilities measured at fair value on a recurring basis

Financial assets and liabilities measured at fair value on a recurring basis are represented by all financial instruments measured in the financial statements on the basis of the fair value criterion (items 20, 30, 50 of the balance sheet assets and items 20, 30, 40 of liabilities in the balance sheet). For these financial instruments, in the absence of directly observable prices on active markets, it is necessary to determine a fair value on the basis of the valuation approach described in the previous paragraph. The main valuation techniques adopted by the Parent Company for each type of financial instrument are illustrated below.

Debt securities

The valuation of non-contributed securities (i.e. securities without official prices expressed by an active market) is carried out using a suitable credit spread, identified from contributed and liquid financial instruments with similar characteristics. The sources from which to draw this measure are as follows:

- contributed and liquid debt securities of the same issuer;
- credit default swaps on the same reference entity;
- contributed and liquid securities issued by an issuer with the same rating and belonging to the same sector. In any case, the different seniority of the security to be priced in relation to the issuer's debt structure is taken into account.

Furthermore, for bonds not quoted on active markets, to take into account the higher premium requested by the market compared to a similar contributed security, an additional component, estimated on the basis of the bid/ask spread, is added to the "fair" credit spreads observed on the market.

Loans that do not pass the SPPI test

These are loans mandatorily measured at fair value as the contractual cash flows do not exclusively provide for the repayment of principal and payment of interest on the principal to be repaid (i.e., they do not pass the "SPPI test"), either by virtue of clauses originally envisaged in the contract or following subsequent amendments. The fair value is valued with the Discounted Cash Flow approach, which is applied in a different way depending on whether the loans are performing/non-performing:

- for performing loans, the fair value is determined on the basis of cash flows, appropriately adjusted for expected losses, based on the unobservable PD and LGD parameters. These flows are then discounted on the basis of a market interest rate, adjusted to take into account a premium deemed to express the risks and uncertainties. In the presence of implicit option components, which, for example, provide for the option of changing the interest rate, the fair value also takes into account the value of said components;
- for non-performing loans, the measurement of the fair value is based on directly or indirectly observable market parameters, which refer to risk factors found in the transfer of NPLs in order to obtain a market price, representative of the uncertainty of the collection process. In particular, cash flow forecasts are expressed by the analytical repayment plans that represent the information on the estimated loss rate on the position. The

collection flows estimated in this way are discounted using a discount factor that is constructed starting from a spread representing the uncertainty of the collection process (unexpected loss) and any other residual risk; the discount rate is then calculated by adding this spread to the risk-free interest rate curve, without taking into account the contractual rate.

Unlisted equities

They are valued with reference to direct transactions on the same security or on similar securities observed over a period of time with respect to the valuation date, using the market multiples method of comparable companies and subordinate to financial, income and equity valuation methods.

Investments in UCITS

They are, as a rule, valued on the basis of NAVs or expected flows and/or business plans made available by the fund administrator or management company. If the NAV does not represent fair value, from the perspective of a market participant, the Group may adopt certain adjustments/hairecuts. These typically include private equity funds, alternative investment funds among which funds investing in non-performing loans, real estate funds, and hedge funds.

In the specific case of alternative investment funds that invest in NPE loans, the Group has estimated the unit value as the sum of the present values of the expected fund distributions (Discounted Cash Flows). The inputs used are as follows:

- cash flows related to net distributions to investors envisaged in the business plans/management accounts of their respective operations;
- discount rate between 8.72% and 10.95%, depending on the capital structure and the additional premium for the risk of each transaction.

Credit structured products

With reference to ABS (asset backed securities), when significant prices are not available, valuation techniques are used that take into account parameters that can be inferred from an active market (level 2 inputs) or must be estimated, if unobservable (level 3 inputs, if significant). In the first case, the cash flows are acquired from info providers or specialised platforms; the spreads are derived from the prices available on the market/info provider, analysing the performance of the underlying assets on the basis of the investor reports. If they are not available, the Group uses valuation techniques aimed at recreating the contractual waterfall of the securitisations in order to estimate the potential recoveries of the outstanding notes.

Over the counter (OTC) derivatives

Interest rate, exchange rate, equity, inflation, commodity and credit derivatives, where not traded on regulated markets, are valued using appropriate valuation models, fed by input parameters (such as, for example, interest rate, exchange rate and volatility curves) observed on the market and subject to the monitoring processes described in the "Group Fair Value Policy".

These models estimate the probability that a specific event will occur by incorporating assumptions such as the volatility of the estimates, the price of the underlying instrument and the expected rate of return.

In addition, for the purpose of measuring fair value, the aforementioned "Group Fair Value Policy" envisages that some "fair value adjustments" be considered with the objective of best reflecting the realization price of an actually possible market transaction. In particular, this relates to model risk, liquidity risk and counterparty risk set out below.

Model risk: this adjustment is made to take into account the risk that the pricing models, even if validated, may generate fair value values that are not directly observable or not immediately comparable with market prices. This is the case of pricing algorithms or types of pay-off that are not adequately widespread on the market or in the presence of models that are particularly sensitive to variables that are difficult to observe on the market.

Liquidity risk: this adjustment is made to take into account the extent of the "bid / ask spread", i.e. the actual cost of disposing of a position in financial instruments in inefficient markets. The correction for the liquidity risk is greater for more structured products, due to the related hedging/disposal costs, and for valuation models that are not sufficiently established and of widespread use among operators, since this makes the valuations more uncertain.

Counterparty credit risk: adjustments to the market value of OTC derivatives, classified as "performing", are made in order to reflect:

- the risk of possible counterparty default - Credit Valuation Adjustment (CVA);
- the risk of non-fulfilment of the issuer's contractual obligations towards a counterparty (own credit risk) - Debt Valuation Adjustment (DVA).

The Group calculates the Credit/Debit Value Adjustment on all positions in OTC derivatives with non-collateralised institutional and commercial counterparties¹¹⁴ to include counterparty risk in the fair value measurement. The methodology is based on the calculation of expected operational loss linked to counterparty rating and estimated on a position's duration. As at 31 December 2025, the CVA amounted to EUR -7.4 mln, of which EUR -3.9 mln relates to CVA on derivatives included in the Mediobanca Group portfolio.

The Group calculates the value adjustment of OTC derivatives in a mirror image fashion and on the same perimeter to take into account its credit worthiness (DVA). As at 31 December 2025, the DVA amounted overall to EUR 3.0 mln, of which EUR 1.8 mln relates to DVA on derivatives included in the Mediobanca Group portfolio.

In addition, for non-collateralised derivatives included in the Mediobanca Group portfolio, in order to incorporate Mediobanca's funding costs (Funding Value Adjustment) in the valuation, adjustments are made for the different funding costs using a discount curve representative of the average funding level of banks active in the European corporate derivatives market.

Fair Value Adjustment (FVA)

Valuations performed by the companies belonging to the Mediobanca Group provide for the application of additional fair value adjustments, over and above those adopted by the Parent Company, as set out below:

- Market parameter uncertainty (MPU): represents the uncertainty in the valuation based on market prices;
- Close-out costs (COC): indicates the uncertainty relating to the liquidity cost that could be incurred in the event of the partial or total disposal of an asset measured at fair value;
- Model risk (MR): adjustments aimed at mitigating the risk of discrepancies versus market practice in the valuation of a product in relation to the choice and implementation of the valuation model;
- Concentrated positions: reflects the uncertainty in the valuation of the exit price for positions classified as concentrated (i.e. positions for which disposal would significantly affect the market price);
- Additional investment and funding costs: investment and funding costs may arise for own bond issues with an early redemption clause or in the event of early close-out of derivative instrument positions. These costs may vary depending on fluctuations in funding costs.

Financial assets measured at fair value on a non-recurring basis

Financial assets and liabilities measured at amortised cost in the financial statements

For financial assets and liabilities recognised in the financial statements at amortised cost, classified, in the accounting categories of "Financial assets measured at amortised cost" (loans to banks and customers) and "Financial liabilities measured at amortised cost" (due to banks and customers and debt securities issued), the calculation of the fair value is relevant for information purposes only, in line with the provisions of the reference accounting standard IFRS 7. The criteria to calculate the fair value of performing and non-performing loans to banks and customers are the same adopted for the fair value valuation on a recurring basis of the loans that do not pass the SPPI test, to which reference is made. Exceptions to this rule are loans to central banks included in the "Loans to banks" portfolio for which the book value is considered a good approximation of the fair value as allowed by accounting standard IFRS 7, and is classified in level 2 of the hierarchy. The same methodology and classification are used for the "Due to banks" and "Due to Customers" portfolios.

For debt securities classified in the "Loans to banks or customers" or "Debt securities issued" portfolio, the fair value was determined through the use of prices contributed on active markets or through the use of valuation models, such as described in the paragraph "Assets and liabilities measured at fair value on a recurring basis" above, to which reference is also made in relation to the threefold fair value hierarchy.

With reference to the classification of loans to customers and banks within the fair value hierarchy, it should be noted that customers are classified in level 3 and banks in level 2, except in the case of non-performing exposures.

¹¹⁴ The Parent Company calculates Credit/Debit Value Adjustment only on OTC derivative positions with institutional and commercial counterparties that are not collateralised.

Non-financial assets measured at fair value on a recurring basis

For the Group, non-financial assets measured at fair value on a recurring basis consist of its owned real estate assets.

Fair value of owned real estate assets

The Group applies the revaluation model of value for the measurement of property assets for business use pursuant to IAS 16 and of the fair value for investment properties pursuant to IAS 40, for measurement subsequent to the initial recognition.

In this context, in order to align the accounting policies of the Mediobanca Group with those of the MPS Group, starting from 31 December 2025, Mediobanca and its subsidiaries changed the criterion for subsequent measurements after initial recognition of their property portfolio; more specifically, the following was provided for:

- transition from the cost model to the revaluation model for properties for business use, based on the provisions of IAS 16 "Property, plant and equipment";
- transition from the cost model to the fair value model for investment properties, based on the rules of IAS 40 "Investment property".

Real estate valuation methodology

The revaluation method requires that the assets used in the business, whose fair value can be reliably measured, are recognised at a restated value, equal to their fair value at the date of the revaluation of value, net of depreciation and any losses for accumulated impairment.

For properties held for investment purposes, the Group has chosen the fair value measurement method, according to which, after initial recognition, all investment properties are measured at fair value.

The fair value of the properties, whether for business or investment use, is determined through the use of specific appraisals prepared by independent qualified companies operating in the specific sector able to provide property valuations on the basis of the RICS Valuation standards. These standards ensure that:

- the fair value is determined consistently with the indications of international accounting standard IFRS 13, that is it reflects the estimated amount for which an asset or liability is sold or purchased, on the valuation date, by a seller and a buyer both willing, and not linked by a special relationship, at competitive conditions, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion;
- the experts have professional, ethical and independence requirements in line with the provisions of international and European standards.

Appraisals in "full" mode, i.e. with an inspection of the property in addition to a detailed analysis of the available documentation, are carried out for relevant properties (i.e. with a book value of more than EUR 10 mln) on a half-yearly basis and on a rotating basis for all other properties as an alternative to "desktop" appraisals, i.e. without an external inspection, with only a review of the documentation. The Group has decided to carry out "full" appraisals on at least 50% of the overall book value of properties that are either operating assets (IAS 16) or investment assets (IAS 40).

The valuation methodologies applied by the appraiser are aligned with international IVS (International Valuation Standards) practices and with what is set forth in the Red Book of the Royal Institute of Chartered Surveyors (RICS). They refer to the following situations:

- Discounted cash flow (DCF) method;
- Market comparison approach (MCA);
- Transformation method with DCF analysis.

The discounted cash flow method is based on the net cash flows that can be generated within a period of time and is the best estimation approach to adequately represent the market value of assets likely to be acquired as properties, both for direct use (business-operating use), and for investment purposes, as a source of ongoing income from rents. The assumption underlying the cash flow approach is that a rational buyer is not willing to pay to buy the asset a price higher than the current value of the economic benefits that the asset will provide in the future. The value of the asset, therefore, is a function of the economic benefits that will be generated by it. The Market Value is calculated as the sum of the discounted net revenues and the discounted net sales value at the valuation date. The net revenues are calculated based on the gross revenues less the operating costs related to the property. The gross revenues are calculated by indexing the rents received for the leased portions, or the market rents for the vacant portions, considering for the calculation of the DCF a time period between 10 and 20 years according to the intended use of the property and the residual duration

of outstanding lease contracts. The net sales value is obtained by capitalising in perpetuity the operating income for the last period of the DCF using a capitalization rate (cap rate) in line with average market yields, from which the sales commission is then deducted. After finding the annual net revenues and the net sales value, the discounted values at the beginning of the first period are calculated by using an appropriate discount rate, suitable for each individual property. The main input data are: i) revenues (contractual rents, market rents); ii) vacancy and take up period, contractual step up etc.; iii) costs (administration, property tax, insurance premium, tenant improvements, lease and sales commission, etc. and iv) interest rates (WACC, exit cap rate).

The market comparison approach provides an estimate of the value of the asset through the comparison with properties recently sold or currently on sale on the market that are comparable in terms of type, construction and location. The value of the property is therefore found by taking into account the sale or rental prices, updated as at the valuation date and obtained from an in-depth market survey, and then making specific adjustments as deemed appropriate given the intrinsic and extrinsic characteristics of the property in question, as well as any other factor deemed relevant. The market comparison approach is usually recommended for residential properties for which it is easy to find transactions on comparable assets.

The transformation method with DCF analysis is used in the case of assets that can be transformed or are already being transformed. The value is given by the difference between the most likely market value of the transformed asset and the sum of all the most likely costs of the factors involved in the transformation of the asset itself. The transformation method is often used to express an opinion on the economic benefit of initiatives to renovate existing assets, but it can also be used for an appraisal aimed at providing an estimate value valid for the majority of market operators. This estimation method is based on the discounting, at the valuation date, of the cash flows generated by the real estate transaction over a time period corresponding to its duration, converting the cash flows allocated at the time of their generation into the Net Present Value (NPV) of the real estate transaction through a financial discounting procedure. The model simulates the assumptions of a typical investor, which aims at receiving a satisfactory economic return on the investment. In particular, the model is articulated in a cash flow scheme with income (revenues) and expenses (costs) relating to the real estate transformation project. Expenses include costs for construction, demolition, urbanisation, design, site management and other costs; the income includes sales made for each sector of intended use (residential, industrial, workshops, sales, tertiary and services). The financial model does not consider VAT and other taxes. The main input data are: ii) the revenues generated from the sale of buildings built or renovated; ii) the costs (construction costs, urbanisation costs, planning and site management costs, sales commissions, etc., and iii) interest rates (WACC).

The valuation approach is defined considering for each property:

- the breakdown in terms of property unit;
- the current intended use of each property, assuming this represents the highest and best use, and considering alternative uses of the properties where this corresponds to market expectations;
- the nature of the property, whether for business use, investment use, mixed.

Depending on the intended use, the occupation status and the nature of the asset, the valuation method deemed most appropriate by the appraiser is applied for each property unit and the value is divided between business use and investment portions.

The properties are valued individually at the level of the single property without considering any discount or premium that can be negotiated in a commercial negotiation phase if all, or part of the portfolio, is sold en bloc, both by lots and entirely.

With regard to the Group's property asset valuation as at 31 December 2025, the prevalent valuation method is the DCF analysis, which is used for approximately 90.9% of properties, followed by the market comparison approach (for approximately 5.7%) and, residually, the transformation method.

The valuation of the properties is significantly based on estimates that are characterised in nature by elements of judgement and subjectivity, the Group's entire property assets are thus classified at level 3 in the fair value hierarchy.

Main inputs

Rent

Rent may refer to rent for the lease of occupied spaces or market rents for vacant spaces. Contractual fees are recognised in the Risk assessment model on an annual basis and indexed to 75% or 100% of the increase in the consumer price index for blue- and white-collar households (FOI), excluding tobacco (ISTAT index), until contract expiry; market rents are indexed to 100% of the increase in the ISTAT index until the time of their application. This applies until such time that a new lease commences, whereupon rent is indexed to 75% of the ISTAT index increase. A vacancy period is

also assumed upon the expiry of existing leases or for vacant properties, estimated according to the type and size of the property.

Cash flow discount rates (WACC)

The cash flow discount rate is represented by the Weighted Average Cost of Capital (WACC), which weighs the specific costs of each component of invested capital: debt (borrowed funds) and equity (own funds). The formula used to calculate WACC is as follows:

$$\text{WACC} = K_d (D/D+E) + K_e (E/D+E)$$

where:

E = *equity*

D = *debt*

E + D = invested capital

K_d = cost of debt, calculated as: $(1+IRS)*(1+SPREAD) - 1$

K_e = cost of equity, calculated as: $(1+Risk\text{-}free\ rate)*(1+Risk\ premium) - 1$

The inputs used to calculate the cost of debt (K_d) and the cost of equity (K_e) are as follows:

Risk Free = medium/long-term return on risk-free Securities, calculated as the average daily gross yield on BTPs over the last 90 trading days; given the average yields of 5-, 10-, 15-, 20- and 30-year BTPs and, consequently, the average 12-, 18- and 25-year values, as at the valuation date the Risk Free is in the range of 2.77%-4.27%;

Risk Premium = the specific risk of the property being valued, determined using the "Build up" approach, by combining the individual systematic risk items attributable to a property (location, lease status and asset characteristics);

EURIRS = the medium- to long-term interest rate usually underlying the Loans granted by credit institutions, calculated based on the average value of the daily rates over the last 90 trading days at 5, 10, 15, 20 and 30 years and, consequently, the average values at 12, 18 and 25 years; as at the valuation date the rate was in the range 2.33%-2.89%;

SPREAD = profit margin of the credit institution.

Cap rate

The methodology developed to calculate cap rate is aligned with the decision-making process of an ordinary investor, taking into account that the cap rate expresses the level of risk/return on the property being valued at the time of final divestment. In particular, a build-up approach is used by combining the real long-term yield of risk-free assets (Risk Free_Exit) with the specific risk forecast at the time of final divestment (Adjusted Risk Premium). The formula is as follows:

$$\text{CAP RATE} = ((1+ Risk\text{-}free\_Exit)/(1+Inflation\_Exit))*(1+ Adjusted\ risk\ premium)-1$$

where:

Risk Free_Exit = long-term return on risk-free securities; the Risk-Free rate used in the construction of the Cap Rate is the longest maturity among those available, that is, the 30-year average yield of 4.43%

Adjusted Risk Premium = the specific risk of the property being valued at the time of final divestment

Inflation_Exit: the inflation figure factored into the cap rate is the 2.00% inflation forecast indicated in the ECB Economic Bulletin.

Inflation

The rate of inflation is used in the assessment for rent indexation and in the calculation of the Cap Rate according to the following scheme:

- Period 1 inflation: 1.40%, equal to the rolling average of the last 12 FOI – national consumer price index figures for blue- and white-collar households excluding tobacco;
- Period 2 inflation: 1.70%, equal to the arithmetical mean between inflation for Period 1 and steady-state inflation;
- Headline inflation: 2.00%, equal to the prospective inflation from the ECB Economic Bulletin.

Valuation frequency

The revaluation of properties used in the business (IAS 16) and the determination of the fair value for investment properties (IAS 40) are performed on the basis of half-yearly appraisals. More specifically, as at 31 December 2025 the Group carried out the appraisal update for the entire property portfolio.

Summary of the effects of fair value measurements for the 2025 financial year

As at 31 December 2025, taking into account the results of the valuation updates carried out as at 30 June 2025, the net negative effect for the year 2025 amounts to a total of EUR 25.1 mln (almost entirely attributable to the Parent Company) gross of related taxes. The overall effect was as follows:

- for properties classified as IAS 16, a negative effect of EUR 4.0 mln (of which EUR 3.9 mln relates to the Parent Company);
- for properties classified as IAS 40, a negative effect of EUR 20.5 mln (of which EUR 20.8 mln relates to the Parent Company);
- for properties classified as IAS 2, a negative effect of EUR 0.6 mln (entirely attributable to the Parent Company);

offset by:

- item 260 of the Income statement – “Net result of measurement at fair value of property, plant and equipment and intangible assets” for a total negative change of EUR 23.7 mln gross of related taxes (of which EUR 22.6 mln relates to the Parent Company);
- item 120 of the balance sheet – “Valuation reserve” for a total negative change of EUR 1.4 mln gross of the related taxes (of which EUR 2.7 mln relates to the Parent Company).

Sensitivity analysis of non-financial instruments

Like financial instruments, non-financial assets and liabilities measured at level 3 fair value are also subjected to sensitivity analysis for which, based on the valuation model used to determine fair value, execution is possible and whose results are significant.

In this context, a sensitivity analysis was performed for the Group's properties for which the valuation was conducted using the discounted cash flow method, identifying the following variables of major significance: the market rents for real estate used in operations and the exit value for real estate held for investment. Considering a change equal to +/- 5% of the aforementioned variables, the analysis showed an average deviation in the fair value of the properties within a range between -5.5% and +5.1%.

A.4.2 Measurement processes and sensitivity

A description of Level 3 financial instruments that show significant sensitivity to changes in unobservable inputs is provided below.

Within the column “other Financial assets mandatorily measured at fair value” in the category “Debt securities” measured using the Discount Cash Flow method, both mezzanine and junior tranches referring to the securitisation of a portfolio of loans classified as non-performing loans called “Siena NPL” for EUR 28.5 mln are included. For this position, the change in the discount rate (+/-1%) and in the flows of expected distributions (+/-10%) would determine a range of values of EUR 26.3–27.5 mln and EUR 28.1–25.5 mln, respectively.

Also worth mentioning in this category are approximately EUR 18.6 mln relating to some equity investments acquired by the Group under credit restructuring agreements which the sensitivity analysis was not carried out as the unit value of the individual exposures is below the minimum materiality threshold established by the Group.

The column “Other Financial assets mandatorily measured at fair value” also includes loans (EUR 143.5 mln) that are mandatorily measured at fair value. The unobservable parameters are Probability of Default (PD), Loss Given Default (LGD) and the different spreads for performing and non-performing assets. The change in these parameters, of 10%, 5%, 1% and 1%, respectively, would have an impact on fair value of approximately EUR -6.2 mln.

The majority of the UCITS units refers, for EUR 124.3 mln, to units of funds received in exchange for the sale of non-performing loans (Back2bonis, IDEA CCR I, II and Nuova Finanza, Clessidra and Efesto). The change in the discount rate (+/-1%) and forecasted distributions (+/-10%) would result in the following range of values: EUR 122.1 - 126.6 mln and EUR 136.9 - 111.6 mln respectively.

The category of UCITS units also contains the total contributions made from June 2016 onwards to the Italia Recovery Fund (formerly Atlante due) for a carrying amount of EUR 6.4 mln calculated on the basis of the latest available NAV.

Lastly, the UCITS category also includes private equity funds and closed-end real estate funds for EUR 128.1 mln, of which EUR 88.0 mln corresponding to the positions of Fondo Etrusco Distribuzione (EUR 82.9 mln) and Fondo Democrito (EUR 5.1 mln) which, following reassessment of the equity relationships between the Bank and those real estate funds, were reclassified during the current year from investments in companies subject to significant influence to financial assets. The change in default probability (+/-1%) and recovery rates (+/-10%) for these positions would result in a range

of values of EUR 88.2-87.9 mln, respectively. With regard to the remaining positions, it was not possible to carry out any quantitative analysis of the sensitivity of the fair value with respect to the change in unobservable inputs, as the fair value is the result of a model whose inputs are specific to the entity being measured and for which the information necessary for a sensitivity analysis is not available.

The “Financial assets measured at fair value through other comprehensive income” accounting portfolio includes the equity investment in Bank of Italy (EUR 137.5 mln), measured using the Discounted Cash Flow method. The equity investment was measured with the methodology identified by the Committee of Experts in the document “Revaluation of shareholdings in the Bank of Italy”. This document not only details the valuation techniques adopted to reach the end result, but identified the following entity-specific parameters: the market beta, equity risk premium, and the cash flow base. The valuation of that equity investment is also confirmed in market transactions carried out in recent years by certain banks. The range of possible values that can be assigned to these parameters cause the following changes in value: roughly EUR -9 mln for every 100 bps increase in the equity risk premium, roughly EUR -18 mln for every 10 pp increase in the market beta, and roughly EUR -18 mln for every 10 pp increase in the cash flow base.

This category also includes equity securities representing all equity investments designated at fair value that could not be measured according to a market-based model. These positions amount to approximately EUR 28.1 mln. A sensitivity analysis was not conducted for these positions for the same reasons as above with reference to the UCITs.

Financial liabilities held for trading include financial derivatives (approximately EUR 1.5 mln) included for the correct management of the lapse risk inherent in commission flows deriving from the placement of certain unit-linked policies. A sensitivity analysis was not carried out for these positions as they were not considered material for the Group.

A.4.3 Fair value hierarchy

For the purposes of completing the disclosure on transfers between levels provided in paragraphs A.4.5.1, A.4.5.2 and A.4.5.3 below, it should be noted that, for Securities held at 31 December 2025 and which had a different *fair value* level with respect to the one assigned at 1 January 2025, it was assumed that the transfer between the levels took place with reference to the balances held at the beginning of the reference period. Please note that for securities held in the Mediobanca Group’s portfolio as at 31 December 2025, the comparison of fair value levels is made with reference to 1 October 2025.

A.4.4 Other information

With reference to paragraph 93 letter (i) of IFRS 13, the Group does not hold any non-financial assets measured at fair value whose current use does not represent its best possible use.

With reference to paragraph 96 of IFRS 13, it should be noted that the Group, through subsidiary Mediobanca, avails itself of the option provided by IFRS 13 paragraph 48 to measure fair value on a net basis with reference to financial assets and liabilities with offsetting positions in market risk and counterparty credit risk. With reference to the recognition criteria for the balance sheet and income statement components of certificate issues recognised under item “30. Financial liabilities measured at fair value” and the related management hedging instruments, please refer to what is stated above in the paragraph “Fair value option” in section “A.2 – Section relating to the main accounting items” of this Part A of the Consolidated Notes to the financial statements.

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 level.

Asset and liabilities measured at fair value	31 12 2025				31 12 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
1. Financial assets measured at fair value through profit or loss of which:	18,240,422	6,775,447	1,339,310	26,355,179	3,514,504	2,564,789	453,536	6,532,829
a) Financial asset held for trading	17,473,249	5,797,693	480,765	23,751,707	3,514,504	2,562,076	-	6,076,580
b) Financial assets designated at fair value	539,368	967,040	-	1,506,408	-	-	-	-
c) other financial assets mandatorily measured at fair value	227,805	10,714	858,545	1,097,064	-	2,713	453,536	456,249
2. Financial assets measured at fair value through other comprehensive income	6,569,909	119,464	276,742	6,966,115	2,162,400	9,383	165,582	2,337,365
3. Hedging derivative	-	882,187	-	882,187	-	94,215	-	94,215
4. Property, plant and equipment	-	-	2,519,185	2,519,185	-	-	1,738,312	1,738,312
5. Other assets*	1,375,603	-	-	1,375,603	-	-	-	-
Total assets	26,185,934	7,777,098	4,135,237	38,098,269	5,676,904	2,668,387	2,357,430	10,702,721
1. Financial liabilities held for trading	7,073,579	4,133,524	38,554	11,245,657	1,619,122	985,108	1,515	2,605,745
2. Financial liabilities designated at fair value	-	5,064,507	617,964	5,682,471	-	119,670	-	119,670
3. Hedging derivative	-	852,204	-	852,204	-	358,391	-	358,391
Total liabilities	7,073,579	10,050,235	656,518	17,780,332	1,619,122	1,463,169	1,515	3,083,806

* Certificates listed on EUAs – commodities.

It should be noted that the increase in the value of Level 2 and Level 3 financial instruments compared with the 2024 financial year is primarily attributable to the recognition of financial instruments held in the portfolio of the subsidiary Mediobanca following the acquisition.

For information on financial instruments classified in level 3, please refer to the above.

During the year, for certain financial assets, in particular bond securities for around EUR 282.7 mln, there was a deterioration in the fair value hierarchy level from Level 1 to Level 2, of which EUR 260.5 mln relates to securities included in the former Mediobanca Group portfolio.

With reference to financial instruments that recorded an improvement in the fair value hierarchy level, moving from Level 2 to Level 1, it should be noted that this dynamic concerned equity securities measured at fair value of around EUR 5.1 mln, of which EUR 4.6 mln relates to securities included in the Mediobanca Group portfolio.

The above changes in fair value are essentially attributable, respectively, to the deterioration/improvement in the liquidity conditions of the Securities (measured in terms of the width of the bid-ask of the quoted price), such as to allow, in accordance with both the policy of MPS Group and of the Mediobanca Group on the valuation of financial instruments, level transfers.

It should be noted that, during the year, the inputs used in the models applied to measure certain securitisation notes backed by non-performing loans were revised. Within the same risk assessment model, the analyses performed entailed a change in the inputs used in the determination of the fair value of the securitisation notes, which changed from a “comparable” model approach to a model approach with non-observable inputs. Therefore, the notes referring to the securitisations subject to analysis, for an amount of approximately EUR 4.2 mln, were reclassified from fair value level 2 to level 3.

Lastly, it should be noted that, with reference solely to the former Mediobanca Group portfolio, for certain financial assets, mainly represented by equity securities, for an amount of EUR 83.5 mln, and for certain financial liabilities, for an amount of EUR 10.6 mln, a greater significance of observable inputs compared to unobservable inputs was assessed such as to justify, according to the Group policies of subsidiary Mediobanca, the transfer from Level 2 to Level 3 of fair value.

Similarly, with reference solely to the Mediobanca Group portfolio, a greater significance of unobservable inputs compared to observable inputs was assessed for certain financial assets, mainly represented by equity securities, for an amount of EUR 2.7 mln, and for certain financial liabilities, mainly represented by issues of certificates of the “certificate equity multi asset single name” type, for an amount of EUR 69.6 mln, such as to result in the transfer from Level 3 to Level 2.

A.4.5.2 Annual changes of financial assets measured at fair value on a recurring basis (level 3)

31 12 2025

	Financial assets measured at fair value through profit or loss				Financial assets measured at fair value through other comprehensive income	Property, plant and equipment
	Total	of which: a) financial assets held for trading	of which: b) financial asset measured at fair value	of which: c) financial assets mandatorily measured at fair value		
1. Opening balance	453,536	-	-	453,536	165,582	1,738,312
2. Increases	1,114,592	574,971	-	539,621	115,404	915,349
2.1 Purchase	119,377	103,256	-	16,121	2,356	-
2.2 Profit charged to:	27,479	1,265	-	26,213	3,800	23,662
2.2.1 Income statement	27,479	1,265	-	26,213	31	12,116
- of which capital gains	19,378	1,013	-	18,366	-	12,116
2.2.2 Equity	-	X	X	X	3,769	11,546
2.3 Transfers from other levels	86,848	6,351	-	80,497	1,343	-
2.4 Other increases	880,889	464,099	-	416,790	107,905	891,687
3. Decreases	228,819	94,207	-	134,612	4,244	134,476
3.1 Sales	36,732	18,989	-	17,743	1,342	32,387
3.2 Repayments	81,461	10,485	-	70,976	2,513	-
3.3 Losses charged to:	62,543	16,821	-	45,722	148	48,196
3.3.1 Income statement	62,543	16,821	-	45,722	-	35,218
- of which capital losses	56,621	15,120	-	41,501	-	35,218
3.3.2 Equity	-	X	X	X	148	12,978
3.4 Transfers to other levels	-	-	-	-	-	-
3.5 Other decreases	48,083	47,912	-	171	241	53,893
4. Closing balance	1,339,309	480,764	-	858,545	276,742	2,519,185

Item 2.4 “Other increases” includes the amounts attributable to the business combination transaction. It should be noted in this regard that following the acquisition of the Mediobanca Group, financial assets of EUR 992.4 mln were recognised in the categories “Financial assets measured at fair value through profit or loss” for EUR 827.5 mln and “Financial assets measured at fair value through other comprehensive income” for EUR 165.9 mln, as well as the fair value of the property portfolio under “Property, plant and equipment” for EUR 869.1 mln.

Net of the effects mentioned above, the main amounts reported in the column “Other financial assets mandatorily measured at fair value” corresponding to row:

- “2.2.1 Profits recognised in profit or loss” amounting to around EUR 26.2 mln relates for EUR 3.3 mln to the gain on disposal deriving from the redemption of certain equity financial instruments held by the Parent Company. Approximately EUR 3.2 mln are also included as capital gains from valuation relating mainly to revaluations of certain UCITS units (EUR 2.6 mln) and loans (EUR 0.6 mln);
- “2.3 Transfers from other levels” amounting to EUR 80.6 mln relates mainly to equity securities held by subsidiary Mediobanca previously recognised in Level 2 of fair value.
- “2.4 Other increases” equal to EUR 416.8 mln include approximately EUR 29.5 mln in positions that during the year were reclassified from the loan portfolio at amortised cost to the portfolio of other assets measured at fair value as per mandatory requirements due to credit changes not consistent with the SPPI test, as well as new disbursements.
- “3.2 Repayments for EUR 70.9 mln”, includes about EUR 29.8 mln for the partial repayment of UCITS units and some equity financial instruments and EUR 41.1 mln for repayments on loan positions;
- “3.3.1 Losses charged to the Income statement” amounting to EUR 45.7 mln attributable to write-downs, mainly referring to EUR 21.4 mln on UCITS units, EUR 18.6 mln on notes for the Siena NPL securitisation transaction and finally EUR 1.2 mln on non-performing Loans.

Property, plant and equipment measured at fair value on a recurring basis consisted of property assets for business and for investment use. The main amounts reported are shown below:

- “2.2.1 Profit charged to the income statement of which capital gains” amounting to approximately EUR 12.1 mln, refer for EUR 6.0 mln to write-backs on properties classified under IAS 16 that were previously written-down in the Income Statement, and for EUR 6.1 mln to revaluations of properties classified under IAS 40 following appraisals carried out as at 31 December 2025;
- “2.2.2 Shareholders’ equity” amounting to around EUR 11.6 mln relates to revaluations carried out during the year on properties classified under IAS 16;
- “2.4 “Other increases” amounting to approximately EUR 891.7 mln mainly refer to improvements and capital expenditure of EUR 8.9 mln;
- “3.1-Sales” amounting to approximately EUR 32.4 mln refer to the sale of both IAS 40 and IAS 16 properties completed during the year;
- “3.3.1 Losses charged to the Income statement - of which capital losses” amounting to approximately EUR 35.2 mln refer to EUR 26.5 mln and EUR 8.7 mln relating to properties classified under IAS 40 and 16, respectively;
- “3.3.2 Losses charged to shareholders’ equity” equal to approximately EUR 13.0 mln refer entirely to write-downs on properties classified under IAS 16 subject to a previous revaluation recognised in the OCI reserve;
- “3.5 Other decreases” equal to approximately EUR 53.9 mln mainly refer to the depreciation charge related to properties classified under IAS 16 in the amount of EUR 25.3 mln and to properties transferred during the year among assets held for disposal for EUR 26.8 mln.

A.4.5.3 Annual changes of liabilities measured at fair value on a recurring basis (level 3)

31 12 2025

	Financial liabilities held for trading	Financial liabilities designated at fair value
1. Opening balance	1,515	-
2. Increases	63,938	856,667.0
2.1 Issues	5,641	260,353.0
2.2 Losses charged to	4,161	-
2.2.1 Profit and Loss	4,161	-
- of which capital losses	1,569	-
2.2.2 Equity	X	-
2.3 Transfers from other levels	10,647	10,940.0
2.4 Other increases	43,489	585,374.0
3. Decreases	26,899	238,703.0
3.1 Redemptions	14,998	166,684.0
3.2 Repurchases	-	-
3.3 Profit charged to:	9,228	2,356.0
3.3.1 Profit and Loss	9,228	2,356.0
- of which capital gains	5,975	-
3.3.2 Equity	X	-
3.4 Transfers from other levels	2,673	69,663.0
3.5 Other decreases	-	-
4. Closing balance	38,554	617,964.0

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 level

Financial asset/liabilities not measured at fair value or measured at fair value on a non-recurring basis	31 12 2025				
	Book value	Level 1	Level 2	Level 3	Total Fair value
1. Financial assets measured at amortised cost	167,790,781	12,978,138	35,049,384	117,937,576	165,965,098
2. Property, plant and equipment held for investment	-	-	-	-	-
3. Non-current assets held for sale and disposal groups	1,202,010	14	-	1,091,742	1,091,756
Total assets	168,992,791	12,978,152	35,049,384	119,029,318	167,056,854
1, Financial liabilities measured at amortised cost	186,034,458	10,264,845	175,657,729	121,207	186,043,781
2. Liabilities associated to disposal groups	975,943	-	-	975,943	975,943
Total liabilities	187,010,401	10,264,845	175,657,729	1,097,150	187,019,724

Financial asset/liabilities not measured at fair value or measured at fair value on a non-recurring basis	31 12 2024				
	Book value	Level 1	Level 2	Level 3	Total Fair value
1. Financial assets measured at amortised cost	90,525,940	8,555,800	11,585,670	69,759,787	89,901,257
3. Non-current assets held for sale and disposal groups	1,128,665	13	-	80,368	80,381
Total assets	91,654,605	8,555,813	11,585,670	69,840,155	89,981,638
1, Financial liabilities measured at amortised cost	102,751,412	8,687,964	94,386,273	-	103,074,237
2. Liabilities associated to disposal groups	976,699	-	-	976,699	976,699
Total liabilities	103,728,111	8,687,964	94,386,273	976,699	104,050,936

For details of the valuation criteria for assets and liabilities measured at fair value on a non-recurring basis, reference should be made to the information provided in the corresponding qualitative section.

In regard to assets under disposal, only the assets measured at fair value or at fair value less disposal costs were indicated.

A.5 Disclosure on “day one profit/loss”

IFRS 7, paragraph 28, defines day one profit/loss as the difference between the fair value of a financial instrument at initial recognition (transaction price) and the amount determined on that date using a valuation technique. This difference may be positive (day one profit) or negative (day one loss).

As also provided for by IFRS 13, paragraph 73, if the initial fair value is determined using unobservable parameters (Level 3 of the fair value hierarchy), day one profit cannot be recognised immediately in profit or loss, but must be deferred and released over time, as a function of the progressive observability of the parameters used or the passage of time.

Conversely, a day one loss arising from unobservable inputs is recognised immediately in profit or loss, on a prudent basis.

The deferral of day one profit applies to financial instruments classified as Level 3, i.e., those for which the impact of one or more unobservable parameters on fair value is deemed significant. Day one profit, calculated net of fair value adjustments, is amortised over the expected period during which the input data will remain unobservable. The deferral does not apply where the risks generated by the transaction are hedged with a market counterparty (back-to-back), thereby eliminating the economic effect of the unobservable parameter.

During the year, the Group, through subsidiary Mediobanca, applied the day one profit principle to the following types of transactions:

- CLO financial guarantee: transactions in which the Group purchased specific hedging on CLOs in the portfolio to neutralise credit risk. In the absence of observable and liquid market parameters, profits of EUR 6.2 mln were deferred, to be released *pro rata temporis*, and stable compared with last September, after increases on new business of EUR 1.1 mln and releases of EUR 1.1 mln, on a notional amount of around EUR 326 mln, increased by around EUR 30 mln following the addition of 5 transactions.
- *Certificates with underlying equity and credit strategies*: EUR 4.9 mln were deferred in connection with the issuance of equity ex-autocallable certificates with a notional amount of EUR 360.5 mln, and EUR 1.5 mln of profits for credit linked callable certificates with an issued notional of around EUR 118.6 mln.

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	810,663	752,282
b) Demand deposits with central banks	12,490,174	10,917,449
c) Demand deposits with banks	1,331,204	1,579,667
Total	14,632,041	13,249,398

The amount of EUR 12,490.2 mln reported in line b) Current accounts and sight deposits with Central Banks refers almost entirely to sight deposits with the ECB.

Section 2 - Financial assets measured at fair value through profit or loss - Item 20

2.1 Financial assets held for trading: breakdown

Items	Total 31 12 2025				Total 31 12 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
A. Balance-sheet assets								
1. Debt securities	11,301,925	1,052,157	433,091	12,787,173	3,382,364	246,121	-	3,628,485
1.1 Structured securities	251,333	36,399	229,493	517,225	137,737	45,802	-	183,539
1.2 Other debt securities	11,050,592	1,015,758	203,598	12,269,948	3,244,627	200,319	-	3,444,946
2. Equity instruments	5,549,884	42,894	308	5,593,086	104,366	3,752	-	108,118
3. Units of UCITS	152,132	-	5,052	157,184	27,774	-	-	27,774
4. Loans	-	-	36,839	36,839	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-	-	-
4.2 Others	-	-	36,839	36,839	-	-	-	-
Total (A)	17,003,941	1,095,051	475,290	18,574,282	3,514,504	249,873	-	3,764,377
B. Derivatives								
1. Financial derivatives:	469,308	4,518,595	3,954	4,991,857	-	2,312,174	-	2,312,174
1.1 held for trading	469,308	4,395,664	3,954	4,868,926	-	2,241,570	-	2,241,570
1.2 fair value option	-	73,313	-	73,313	-	70,604	-	70,604
1.3 Others	-	49,618	-	49,618	-	-	-	-
2. Credit derivatives:	-	184,047	1,521	185,568	-	29	-	29
2.1 held for trading	-	184,047	1,521	185,568	-	29	-	29
2.2 fair value option	-	-	-	-	-	-	-	-
2.3 Others	-	-	-	-	-	-	-	-
Total (B)	469,308	4,702,642	5,475	5,177,425	-	2,312,203	-	2,312,203
Total (A+B)	17,473,249	5,797,693	480,765	23,751,707	3,514,504	2,562,076	-	6,076,580

Criteria adopted for classification of financial instruments in the three levels of the “fair value hierarchy” are reported in Section A.4, “Information on fair value” of Part A, “Accounting policies” of the notes to the financial statements, to which reference should be made.

As a result of the provisions set out in IFRS 9 with regard to the derecognition of financial assets, lines 1.1 Structured securities and 1.2 Other debt securities of the item “Cash assets” also include debt securities pledged in repos and securities lending transactions carried out in respect of own securities posted to the trading book.

The amount of Debt securities – Structured securities, under sub-item 1.1, stood at EUR 517.1 mln as at 31 December 2025 (EUR 183.5 mln as at 31 December 2024) and is mainly represented by fixed-rate indexed debt securities, with inflation as an additional component, and by the senior and mezzanine tranches of ABS CLOs acquired by subsidiary Mediobanca.

At the reference date of these financial statements, the aggregate includes senior and mezzanine exposures assumed by the Group in relation to third-party securitisation transactions of EUR 229.9 mln and EUR 292.3 mln, respectively, mainly relating to ABS CLOs recognised in line 1.1 structured securities.

Among equity securities are shares pledged in securities lending transactions with a value of EUR 2,764.7 mln as at 31 December 2025, relating to operations of subsidiary Mediobanca.

Among loans are underwriting positions intended for syndication, relating to operations of subsidiary Mediobanca.

Derivatives connected with fair value option instruments are also classified as derivative instruments: these cover the risks of funding designated at fair value arising from possible interest rate fluctuations and from any embedded options

in fixed-rate and structured bonds issued by the Parent Company (natural hedging). The positive fair value of these derivatives is shown in the table in line “B.1-1.2 – Fair value option”.

2.2 Financial assets held for trading: breakdown by borrower/issuer/counterparty

Items/Amounts	Total 31 12 2025	Total 31 12 2024
A. Balance sheet assets		
1. Debt securities	12,787,173	3,628,485
a) Central banks	-	-
b) Public entities	10,232,927	3,223,167
c) Banks	1,370,275	195,106
d) Other financial companies	908,600	150,835
of which: insurance companies	11,868	11,266
e) Non-financial companies	275,371	59,377
2. Equity instruments	5,593,086	108,118
a) Banks	706,231	2,984
b) Other financial companies	1,573,284	60,887
of which: insurance companies	205,537	56,840
c) Non-financial companies	3,313,571	44,247
d) Other issuers:	-	-
3. Units of UCITS	157,184	27,774
4. Loans	36,839	-
Total (A)	18,574,282	3,764,377
B. Derivatives	-	-
a) Central counterparties	200,990	-
b) Others	4,976,435	2,312,204
Total (B)	5,177,425	2,312,204
Total (A+B)	23,751,707	6,076,581

The breakdown by debtor/issuer was carried out in accordance with criteria of classification by economic activity group and sector laid down by the Bank of Italy.

As for derivatives, it should be noted that the positive fair value of derivatives with customers includes approx. EUR 61.0 mln from balanced trading aimed at providing financial protection to customers of the Group's network. The remaining amount was generated from transactions with financial market participants classified as customers pursuant to the above classification criteria set by the Bank of Italy.

The following table adds details to line “A.3. Units of UCITS” of table 2.2 above.

Categories/Amounts	Total 31 12 2025	Total 31 12 2024
Exchange Traded Funds (ETF)	144,433	23,854
Equity	12,751	3,920
Others	-	-
Total	157,184	27,774

2.3 Financial assets designated at fair value: breakdown

Items	Total 31 12 2025				Total 31 12 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
1. Debt securities	539,368	365,588	-	904,956	-	-	-	-
1.1 Structured Securities	-	-	-	-	-	-	-	-
1.2 Other debt securities	539,368	365,588	-	904,956	-	-	-	-
2. Loans	-	601,452	-	601,452	-	-	-	-
2.1 Repurchase agreements	-	-	-	-	-	-	-	-
2.2 Others	-	601,452	-	601,452	-	-	-	-
Total	539,368	967,040	-	1,506,408	-	-	-	-

It should be noted that Debt securities are recognised against liabilities under the Fair Value Option.

2.4 Financial assets measured at fair value: breakdown by borrower/issuer

Items	31 12 2025	31 12 2024
Debt securities	904,956	-
a) Central Banks	-	-
b) Public Entities	14,456	-
c) Banks	796,490	-
d) Other financial companies	94,010	-
<i>of which: insurance companies</i>	3,658	-
e) Non-financial companies	-	-
Loans	601,452	-
a) Central Banks	-	-
b) Public Entities	-	-
c) Banks	-	-
d) Other financial companies	601,452	-
<i>of which: insurance companies</i>	601,452	-
e) Non-financial companies	-	-
f) Families	-	-
Total	1,506,408	-

2.5 Other financial assets mandatorily measured at fair value: breakdown

Items	Total 31 12 2025				Total 31 12 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
1. Debt securities	-	1,507	16,977	18,484	-	2,713	49,854	52,567
1.1 Structured securities	-	-	-	-	-	-	-	-
1.2 Other debt securities	-	1,507	16,977	18,484	-	2,713	49,854	52,567
2. Equity instruments	-	-	19,051	19,051	-	-	1,236	1,236
3. Units of UCITS	227,805	1,577	692,598	921,980	-	-	258,984	258,984
4. Loans	-	7,630	129,919	137,549	-	-	143,462	143,462
4.1 Repurchase agreements	-	-	-	-	-	-	-	-
4.2 Others	-	7,630	129,919	137,549	-	-	143,462	143,462
Total	227,805	10,714	858,545	1,097,064	-	2,713	453,536	456,249

Line 1.2 “Other debt securities” includes EUR 13.8 mln relating to the securitisation of a portfolio of bad loans of the MPS Group, of which EUR 13.2 mln (EUR 27.9 mln as at 31 December 2024) relate to the mezzanine tranche and EUR 0.6 mln (EUR 0.6 mln as at 31 December 2024) relate to the junior tranche.

Line “3 Units of UCITS” includes, under level 3, UCITS units acquired in exchange for the disposal of NPE loans for EUR 94.2 mln (EUR 129.4 mln as at 31 December 2024) and the units in the Italia Recovery Fund (Ex Atlante) for EUR 5.0 mln (EUR 6.4 mln as at 31 December 2024). For a full breakdown of the types of UCITS, please refer to the details shown in the table below.

Line 4 “Loans” corresponding to Level 3 consists of financial assets that must be mandatorily measured at fair value as a result of failing the SPPI test.

At the reporting date, there are no equity securities arising from the recovery of impaired financial assets.

Categories/Amounts	Total 31 12 2025	Total 31 12 2024
Hedge Funds	21	24
Private equity	223,475	38,058
Real estate	114,156	96,567
Non Performing Exposures	94,176	124,335
Seed Capital	490,152	-
Total	921,980	258,984

As regards seed capital funds, reference is made to the investment activity carried out by the Mediobanca Group in funds and vehicles promoted and managed by asset management companies controlled by it.

For the disclosure on mutual funds acquired as part of the sale of loans included in the previous table under “NPE loans”, please refer to the specific paragraph in Part E of these Notes to the Financial Statements (Subsection E “Sale Transactions” point “C. Financial assets sold and fully derecognised”).

2.6 Other financial assets mandatorily measured at fair value: breakdown by borrower/issuer

Items	Total 31 12 2025	Total 31 12 2024
1. Equity instruments	19,051	1,237
<i>of which: banks</i>	-	-
<i>of which: other financial companies</i>	6,538	1,150
<i>of which: non-financial companies</i>	12,513	87
2. Debt securities	18,484	52,567
a) Central Banks	-	-
b) Public Entities	-	-
c) Banks	-	-
d) Other financial companies	18,037	33,918
<i>of which: insurance companies</i>	-	-
e) Non-financial companies	447	18,649
3. Units of UCITS	921,980	258,984
4. Loans	137,549	143,461
a) Central Banks	-	-
b) Public Entities	-	-
c) Banks	-	-
d) Other financial companies	7,630	-
<i>of which: insurance companies</i>	7,630	-
e) Non-financial companies	118,142	129,600
f) Families	11,777	13,861
Total	1,097,064	456,249

The main cumulative losses relating to equity securities of evidently poor credit quality referring to previous financial years are Compagnia Investimento e Sviluppo (EUR 3.8 mln), Newcolle S.r.l. (EUR 2.3 mln), Porto Industriale Livorno (EUR 1.9 mln). The write-downs of equity instruments of clearly poor credit quality, made by the Group during the course of the financial year are of irrelevant amount.

Section 3 - Financial assets designated at fair value through other comprehensive income - Item 30

3.1 Other financial assets measured at fair value through other comprehensive income: breakdown

Items/Amounts	Total 31 12 2025				Total 31 12 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
1. Debt securities	6,433,820	109,423	33,788	6,577,031	2,162,400	1,343	-	2,163,743
1.1 Structured securities	930	-	-	930	34,581	-	-	34,581
1.2 Other debt securities	6,432,890	109,423	33,788	6,576,101	2,127,819	1,343	-	2,129,162
2. Equity instruments	136,089	10,041	242,954	389,084	-	8,039	165,582	173,621
3. Loans	-	-	-	-	-	-	-	-
Total	6,569,909	119,464	276,742	6,966,115	2,162,400	9,382	165,582	2,337,364

As a result of the provisions set out in IFRS 9 with regard to the derecognition of financial assets, line 1.2 also includes debt securities pledged in repos and securities lending transactions carried out in respect of own securities recognised under financial assets designated at fair value through other comprehensive income.

The item Debt securities – Structured securities, under sub-item 1.1, amounting to EUR 0.9 mln as at 31 December 2025, is down compared with the previous year, due to the sale during the year of fixed-rate indexed debt securities recognised for EUR 33.6 mln as at 31 December 2024.

The line “1.2 Other Debt Securities” totalling EUR 6,576.1 mln - of which EUR 823.8 mln – EUR 785.0 mln relating to Mediobanca subsidiari’s securities - (EUR 126.8 mln as of 31 December 2024) subject to specific fair value hedging entirely against interest rate risk - mainly includes Italian government bonds for approximately EUR 3,437.8 mln (EUR 1,451.9 mln as of 31 December 2024). Net of securities recognised following the acquisition of the Mediobanca Group, the aggregate is down compared with EUR 1,451.9 mln as at 31 December 2024 due to the market sale of certain securities nearing maturity. The line also includes EUR 33.8 mln (EUR 1.3 mln as at 31 December 2024) of exposures relating to senior notes of securitisation transactions originated by third parties.

The line “2. Equity instruments” (Level 3 column) includes the EUR 137.5 mln investment in the capital of Bank of Italy.

At the reporting date, the aggregate does not include equity securities arising from the recovery of impaired financial assets.

3.2 Other financial assets measured at fair value through other comprehensive income: breakdown by borrower/issuer

Items/Amounts	Total 31 12 2025	Total 31 12 2024
1. Debt securities	6,577,031	2,163,743
a) Central banks	-	-
b) Public entities	5,794,984	1,897,392
c) Banks	446,991	225,194
d) Other financial companies	128,621	26,337
<i>of which insurance companies</i>	29,294	-
e) Non-financial companies	206,435	14,820
2. Equity instruments	389,084	173,621
a) Banks	153,043	151,739
b) Other issuers:	236,041	21,882
- Other financial companies	58,619	11,232
<i>of which insurance companies</i>	-	-
- Non-financial companies	174,012	10,635
- Others	3,411	14
3. Loans	-	-
Total	6,966,115	2,337,364

The main cumulative losses relating to equity securities of evidently poor credit quality refer to the investee Restart S.r.l. and were fully recognised in previous financial years, for an amount of EUR 0.5 mln.

The write-downs of equity instruments of clearly poor credit quality, made by the Group during the course of the financial year are of irrelevant amount.

3.3 Other financial assets measured at fair value through other comprehensive income: gross value and total value adjustments

	Gross exposure					Value adjustments				
	Stage 1		Stage 2	Stage 3	Purchased or originated credit impaired financial assets	Stage 1			Stage 3	Purchased or originated credit impaired financial assets
		<i>of which: low credit risk instruments</i>								
Debt securities	6,578,173	1,737,771	-	3,896	-	2,351	-	2,687	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Total 31 12 2025	6,578,173	1,737,771	-	3,896	-	2,351	-	2,687	-	-
Total 31 12 2024	2,163,610	2,108,869	2,674	-	-	1,210	1,331	-	-	-

* Value to be presented for disclosure purposes

Section 4 - Financial assets measured at amortised cost - Item 40

4.1 Financial assets measured at amortised cost: breakdown of loans to banks

Type of transaction/Amount	Total 31 12 2025							
	Book value				Fair value			
	Stage 1 and Stage 2	Stage 3	Purchased or originated impaired financial assets	Total	L1	L2	L3	Total
A. Loans to central banks	1,086,601	-	-	1,086,601	-	1,086,601	-	1,086,601
1. Time deposits	125,001	-	-	125,001	X	X	X	X
2. Compulsory reserve	930,096	-	-	930,096	X	X	X	X
3. Reverse repurchase agreements	31,504	-	-	31,504	X	X	X	X
4. Others	-	-	-	-	X	X	X	X
B. Loans to bank	8,124,104	5,121	1	8,129,225	57,046	8,028,893	39,733	8,125,672
1. Loans	7,114,799	5,121	1	7,119,920	-	7,114,780	39,732	7,154,512
1.1 Current accounts and demand deposits	-	-	-	-	X	X	X	X
1.2 Time deposits	145,146	-	-	145,146	X	X	X	X
1.3 Other loans	6,969,653	5,121	1	6,974,774	X	X	X	X
- Reverse repurchase agreements	3,540,576	-	-	3,540,576	X	X	X	X
- Finance leases	409	-	-	409	X	X	X	X
- Others	3,428,668	5,121	1	3,433,789	X	X	X	X
2. Debt securities	1,009,305	-	-	1,009,305	57,046	914,113	1	971,160
2.1 Structured securities	-	-	-	-	-	-	-	-
2.2 Other debt securities	1,009,305	-	-	1,009,305	57,046	914,113	1	971,160
Total	9,210,705	5,121	1	9,215,826	57,046	9,115,494	39,733	9,212,273

The line “Loans to central banks 2. Compulsory reserve” includes the balance of the compulsory reserve which, at the end of the financial year, amounted to EUR 930.1 mln (EUR 535.0 mln as at 31 December 2024). It should be noted that, in accordance with regulations on average maintenance levels, the end-of-period balance of the compulsory reserve may be subject to changes, also substantial, in relation to the Group’s contingent treasury requirements.

The item “Loans to banks, 1.3 Other loans – Other”, totalling EUR 3,433.8 mln, includes security deposits of the Parent Company of approximately EUR 916.9 mln.

At the reporting date of this financial statements, as in previous financial year, the aggregate does not include the Group’s senior, mezzanine and junior exposures with reference to own and third-party securitisation transactions.

Type of transaction/Amount	Total 31 12 2024							
	Book value				Fair value			
	Stage 1 and Stage 2	Stage 3	Purchased or originated impaired financial assets	Total	L1	L2	L3	Total
A. Loans to central banks	560,821	-	-	560,821	-	560,821	-	560,821
1. Time deposits	25,001	-	-	25,001	X	X	X	X
2. Compulsory reserve	535,006	-	-	535,006	X	X	X	X
3. Reverse repurchase agreements	-	-	-	-	X	X	X	X
4. Others	814	-	-	814	X	X	X	X
B. Loans to bank	2,797,015	8,033	-	2,805,048	2,945	2,706,616	8,033	2,717,594
1. Loans	2,059,426	8,033	-	2,067,459	-	2,058,846	8,033	2,066,879
1.1 Current accounts	-	-	-	-	X	X	X	X
1.2 Time deposits	37,776	-	-	37,776	X	X	X	X
1.3 Other loans	2,021,650	8,033	-	2,029,683	X	X	X	X
- Reverse repurchase agreements	856,438	-	-	856,438	X	X	X	X
- Finance leases	-	-	-	-	X	X	X	X
- Others	1,165,212	8,033	-	1,173,245	X	X	X	X
2. Debt securities	737,589	-	-	737,589	2,945	647,770	-	650,715
2.1 Structured securities	-	-	-	-	-	-	-	-
2.2 Other debt securities	737,589	-	-	737,589	2,945	647,770	-	650,715
Total	3,357,836	8,033	-	3,365,869	2,945	3,267,437	8,033	3,278,415

4.2 Financial assets measured at amortised cost: breakdown of loans to customers

Type of transaction/Amount	Total 31 12 2025							
	Book value				Fair value			
	Stage 1 and Stage 2	Stage 3	Purchased or originated impaired financial assets	Total	L1	L2	L3	Total
Loans	139,839,178	1,639,169	306,725	141,785,072	-	23,325,421	116,783,807	140,109,228
1.1. Current accounts	5,462,246	77,195	97	5,539,538	X	X	X	X
1.2. Reverse repurchase agreements	11,295,906	-	-	11,295,906	X	X	X	X
1.3. Mortgage	85,182,225	1,187,465	50,281	86,419,971	X	X	X	X
1.4. Credit cards, personal loans and fifth-of-salary backed loans	12,860,672	80,443	234,181	13,175,296	X	X	X	X
1.5. Finance lease	2,616,288	84,005	1,680	2,701,973	X	X	X	X
1.6. Factoring	5,996,325	17,859	1,482	6,015,666	X	X	X	X
1.7. Other transactiones	16,425,516	192,202	19,004	16,636,722	X	X	X	X
of which: operating receivable	6,131	97	-	6,228	X	X	X	X
of which: leased assets under construction	34,490	1,945	-	36,435	X	X	X	X
Debt securities	16,788,041	1,842	-	16,789,883	12,921,092	2,608,468	1,114,036	16,643,596
1.1. Structured securities	1,036,489	-	-	1,036,489	1,038,539	15,518	-	1,054,057
1.2. Other debt securities	15,751,552	1,842	-	15,753,394	11,882,553	2,592,950	1,114,036	15,589,539
Total	156,627,219	1,641,011	306,725	158,574,955	12,921,092	25,933,889	117,897,843	156,752,824

“Loans to customers” also includes operating receivables for EUR 6.1 mln (EUR 4.7 mln as at 31 December 2024) – other than those connected with the payment for the supply of non-financial goods and services, included under asset item 150 “Other assets” – subject to the provisions of IFRS 9, paragraph 5.5.15 a) i).

The purchased or originated credit-impaired column amounting to EUR 306.7 mln (EUR 2.2 mln as at 31 December 2024) mainly includes i) non-performing loans (NPL) acquired as part of the Mediobanca Group business combination transaction and ii) consumer loans granted by subsidiary Compass. For further details, please refer to Part E - Information on risks and related hedging policies - Section 1 Credit quality of these Notes to the consolidated financial statements. Line “2.1 Structured securities” amounting to EUR 1,036.5 mln as at 31 December 2025 (EUR 1,103.9 mln as at 31 December 2024) mainly relates to fixed-rate debt securities indexed, as an additional component, to inflation. Line “2.2 Other debt securities” equal to EUR 15,753.4 mln mainly comprises Italian Government securities for EUR 10,244.1 mln (EUR 7,253.1 mln as at 31 December 2024).

In addition, the senior note relating to the securitisation transaction of the Group's bad loan portfolio amounted to EUR 700.2 mln (EUR 818.7 mln as at 31 December 2024) and EUR 1,674.1 mln relates to third-party securitisation transactions, consisting of EUR 1,652.6 mln in senior notes and EUR 21.6 mln in mezzanine tranches. The line also includes bonds not listed in active markets issued mainly by local government bodies, e.g. municipal bonds (it.: Buoni Ordinari Comunali, BOC).

Finally, the total debt securities of EUR 16,789.9 mln include EUR 3,946.2 mln (EUR 3,448.3 mln as at 31 December 2024) in securities subject to specific fair value hedging for interest rate risk and EUR 2,177.2 mln (EUR 1,474.6 mln as at 31 December 2024) in floating-rate securities subject to specific cash flow hedging for the risk of changes in expected cash flows.

“Loans to customers” include loans disbursed with funds made available by the Government or by other public institutions, with the Bank adopting partial or total risk. These funds are managed under the agreements signed by the Group with Cassa Depositi e Prestiti (hereinafter CDP), in direct cooperation with ABI, and with regional financial institutions. In particular, the Bank has subscribed to the agreements specifically structured by ABI and CDP for the support of the business sector, for the support of individuals and in favour of the local economy in the case of natural disasters. Except for the latter agreement, whose subsidised loans are backed by State guarantee, the loans disbursed

by the Group are characterised by conditions released from the CDP funding, subject to independent negotiation between the parties, and are mandatorily assigned as collateral to CDP. In 2025, the Group did not use CDP funds to support the business sector, instead only using funds dedicated to supporting territories affected by natural disasters.

Conversely, with regard to management of resources made available through regional or national measures, the Group's operations refer to specific agreements stipulated with the regional financial institutions, such as Veneto Sviluppo, Finlombarda, Finpiemonte and Puglia Sviluppo, or other regional fund managers (Artigiancredito per il Fondo Multiscopo of the Emilia Romagna region), or with CDP regarding alternative instruments such as the so-called "Rotation Funds". The resources are intended to encourage and support companies operating in certain areas and in specific economic sectors. These loans are generally disbursed with part of the funding made available with public funds and part with the Bank's own resources (co-financing). The funding with public funds varies according to the initiative to be financed: the percentage is defined by specific Regional Laws or Resolutions and, as a rule, the public funds must be integrated with the Bank's own resources to ensure the total coverage of the expenditure.

During 2025, the Parent Company also took part in the "Blending BEI Toscana" initiative, a programme of the Tuscany Region, in collaboration with the European Investment Bank (EIB), which provides grants to reduce interest and guarantee fees on bank loans to Tuscan micro, small and medium-sized enterprises (MPMI) and professionals aimed at promoting expansion, diversification, productive consolidation, and ecological, technological and digital transitions.

Finally, it should be noted that, in line with the Bank of Italy communication of the Bank of Italy of 14 March 2023 "Update of the provisions of Circular no. 262 - Bank financial statements: layouts and rules for compilation - concerning the impacts of COVID-19 and of the measures to support the economy", the Group has provided a total of state-guaranteed loans (in application of the Law Decree ("Liquidity" Decree-Law No. 23 of 8 April 2020), for a total amount of EUR 11.7 bn – including EUR 0.2 bn disbursed by the Mediobanca Group - with a gross residual amount as at 31 December 2025 of EUR 2,594.1 mln, of which EUR 388.4 mln relating to non-performing exposures (EUR 4,815.1 mln, of which EUR 553.2 mln non-performing, as at 31 December 2024).

Type of transaction/Amount	Total 31 12 2024							
	Book value				Fair value			
	Stage 1 and Stage 2	Stage 3	Purchased or originated impaired financial assets	Total	L1	L2	L3	Total
Loans	75,059,674	1,860,577	2,156	76,922,407	-	7,032,613	69,751,754	76,784,367
1.1. Current accounts	2,643,000	63,327	197	2,706,524	X	X	X	X
1.2. Reverse repurchase agreements	7,035,199	-	-	7,035,199	X	X	X	X
1.3. Mortgage	50,505,907	1,520,290	1,645	52,027,842	X	X	X	X
1.4. Credit cards, personal loans and fifth-of-salary backed loans	1,453,661	6,175	-	1,459,836	X	X	X	X
1.5. Finance lease	2,411,284	103,748	-	2,515,032	X	X	X	X
1.6. Factoring	2,450,177	15,666	-	2,465,843	X	X	X	X
1.7. Other transactiones	8,560,446	151,371	314	8,712,131	X	X	X	X
<i>of which: operating receivable</i>	<i>4,610</i>	<i>77</i>	<i>-</i>	<i>4,687</i>	<i>X</i>	<i>X</i>	<i>X</i>	<i>X</i>
<i>of which: leased assets under construction</i>	<i>91,298</i>	<i>1,984</i>	<i>-</i>	<i>93,282</i>	<i>X</i>	<i>X</i>	<i>X</i>	<i>X</i>
Debt securities	10,237,664	-	-	10,237,664	8,552,855	1,285,620	-	9,838,475
1.1. Structured securities	1,103,945	-	-	1,103,945	1,020,002	-	-	1,020,002
1.2. Other debt securities	9,133,719	-	-	9,133,719	7,532,853	1,285,620	-	8,818,473
Total	85,297,338	1,860,577	2,156	87,160,071	8,552,855	8,318,233	69,751,754	86,622,842

4.3 Financial assets measured at amortised cost: breakdown by borrower/issuer of loans to customers

Type of transactions/Amount	Total 31 12 2025			Total 31 12 2024		
	Stage 1 and Stage 2	Stage 3	Purchased or originated credit impaired financial assets	Stage 1 and Stage 2	Stage 3	Purchased or originated credit impaired financial assets
1. Debt securities	16,788,041	1,842	-	10,237,664	-	-
a) Public entities	13,459,683	-	-	9,111,266	-	-
b) Other financial companies	2,898,705	1,842	-	919,158	-	-
<i>of which: insurance companies</i>	272,325	-	-	62,492	-	-
c) Non-financial companies	429,653	-	-	207,240	-	-
2. Loans to	139,839,179	1,639,170	306,724	75,059,675	1,860,576	2,156
a) Public Entities	1,799,165	9,261	251	1,518,697	9,442	-
b) Other financial companies	18,840,907	3,967	4	8,510,238	2,420	-
<i>of which: insurance companies</i>	302,229	-	1	7,887	-	-
c) Non-financial companies	50,473,690	999,413	6,127	31,460,165	1,156,763	1,950
d) Families	68,725,417	626,529	300,342	33,570,575	691,951	206
Total	156,627,220	1,641,012	306,724	85,297,339	1,860,576	2,156

4.4 Financial assets measured at amortised cost: gross value and total value adjustments

Type of transactions/Amount	Gross exposure					Value adjustments				Total Partial write-off (*)
	Stage 1		Stage 2	Stage 3	Purchased or originated credit impaired financial assets	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets	
		of which: low credit risk instruments								
Debt securities	17,098,392	10,331,534	705,579	10,765	-	6,292	334	8,923	-	-
Loans	137,569,329	676,538	11,568,259	3,320,371	399,551	480,507	616,503	1,676,081	92,825	341,324
31 12 2025	154,667,721	11,008,072	12,273,838	3,331,136	399,551	486,799	616,837	1,685,004	92,825	341,324
31 12 2024	77,865,010	9,809,348	11,262,015	3,579,404	2,920	118,146	353,704	1,710,795	764	19,501

* Value to be presented for disclosure purposes

For financial assets included in the stage 3 column and for purchased or originated credit impaired financial assets, the gross value corresponds to the book value gross of the relative overall value adjustments; the latter are equal to the difference between the expected recovery value and the gross book value. For impaired financial assets purchased, the gross value corresponds to the purchase price and the adjustments correspond to the difference between the expected recovery value and the gross book value.

Section 5 - Hedging derivatives - Item 50

5.1 Hedging derivatives: breakdown by type of contract and underlying asset

	Fair value 31 12 2025				NV as at 31 12 2025
	Level 1	Level 2	Level 3	Total	
A. Financial derivatives	-	882,187	-	882,187	36,115,605
1) Fair value	-	879,684	-	879,684	31,271,605
2) Cash flows	-	2,503	-	2,503	4,844,000
3) Foreign investments	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-
1) Fair value	-	-	-	-	-
2) Cash flows	-	-	-	-	-
Total	-	882,187	-	882,187	36,115,605

Key

NV = Notional or Nominal Value

The table shows the positive book value (fair value) of hedging derivatives for hedges carried out through hedge accounting.

Information on the underlying strategies and objectives of hedge transactions can be found in the Section "Market risks" of Part E - "Information on Risks and hedging policies".

	Fair value 31 12 2024				NV as at 31 12 2024
	Level 1	Level 2	Level 3	Total	
A. Financial derivatives	-	94,215	-	94,215	10,791,137
1) Fair value	-	77,298	-	77,298	9,399,137
2) Cash flows	-	16,917	-	16,917	1,392,000
3) Foreign investments	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-
1) Fair value	-	-	-	-	-
2) Cash flows	-	-	-	-	-
Total	-	94,215	-	94,215	10,791,137

Key

NV = Notional or Nominal Value

5.2 Hedging derivatives: breakdown by hedged portfolios and type of hedging

Transaction/Type of hedge	Fair Value						Cash Flows			Foreign Investments	Total 31 12 2025
	Micro-hedge						Macro-hedge	Micro-hedge	Macro-hedge		
	debt securities and interest rate	equity instruments and stock indices	currencies and gold	Credit	Commodities	Other					
1. Financial assets measured at fair value through other comprehensive income	88,719	-	-	-	X	X	X	2,418	X	X	91,137
2. Financial assets measured at amortised cost	123,665	X	-	-	X	X	X	85	X	X	123,750
3. Portfolio	X	X	X	X	X	X	571,559	X	-	X	571,559
4. Other transactions	-	-	-	-	-	-	X	-	X	-	-
Total assets	212,384	-	-	-	-	-	571,559	2,503	-	-	786,446
1. Financial liabilities	48,753	X	-	-	-	-	X	-	X	X	48,753
2. Portfolio	X	X	X	X	-	X	-	X	-	X	-
Total liabilities	48,753	-	-	-	-	-	-	-	-	-	48,753
1. Expected transactions	X	X	X	X	X	X	X	-	X	X	-
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	46,988	X	-	-	46,988
Total	261,137	-	-	-	-	-	618,547	2,503	-	-	882,187

The table shows the positive fair values of hedging derivatives, classified by hedged assets or liabilities and type of hedging implemented. For an analysis of the types of hedges adopted by the Group, please refer to paragraph “1.3.2 Hedge accounting” of Part E – “Information on risks and related hedging policies” – Market risks Section of these Notes to the consolidated financial statements.

Section 6 - Change in value of macro-hedged financial assets - Item 60

6.1 Change in value of hedged assets: breakdown by hedged portfolios

Changes in value of hedged assets / Group components	Total 31 12 2025	Total 31 12 2024
1. Positive changes	128,699	158,844
1.1 of specific portfolios:	128,699	158,844
a) financial assets measured at amortized cost	128,699	158,844
b) financial assets measured at fair value through other comprehensive income	-	-
1.2 overall	-	-
2. Negative changes	1,142,316	570,391
2.1 of specific portfolios:	1,112,604	570,391
a) financial assets measured at amortized cost	1,112,604	570,391
b) financial assets measured at fair value through other comprehensive income	-	-
2.2 overall	29,712	-
Total	(1,013,617)	(411,547)

As regards the Parent Company's operations, the value adjustment mainly relates to portfolios of fixed-rate assets and floating-rate assets with cap/floor subject to a macro fair value hedge with derivative contracts, in order to immunise them against possible value fluctuations arising from interest rate risk. As regards the scope of the Mediobanca Group, the adjustment relates to hedges of a generic portfolio of fixed-rate assets, the risk of which, together with that of a generic portfolio of fixed-rate liabilities, is monitored on a net basis; derivatives used to mitigate risk are therefore entered into on the basis of the net exposure and not the specific portfolio of assets or liabilities.

For all the cases described above, as this is a macro-hedge, any gain or loss on the hedged item attributable to the risk hedged may not directly adjust the value of said item (unlike in micro-hedging), but must be presented in this separate line item of the assets. The amounts in this item must be removed from the balance sheet when the relevant assets are derecognised.

The fair value of the corresponding hedging derivatives is shown in Table 5.2 (assets) or Table 4.2 (liabilities), both entitled "Hedging derivatives: breakdown by hedged portfolios and type of hedging".

The specific portfolios of assets subject to the Group's macro hedging of interest rate risk relate, for EUR 15,880.9 mln, to fixed-rate and variable-rate mortgages with cap/floor granted by the Parent Company and included in balance sheet item 40 "Financial assets measured at amortised cost - Loans to customers" (EUR 9,915.4 mln as at 31 December 2024) and, for EUR 9,464.8 mln, to macro hedging of interest rate risk on the assets of the Mediobanca Group's generic portfolio recognised in balance sheet item 40 "Financial assets measured at amortised cost".

Section 7 – Equity investments – Item 70

7.1 Equity investments: information on shareholding

Company Name	Headquarters	Registered Office	Type of relationship (1)	Ownership Relationship		Avail. % votes
				Held by	Share holding %	
A. Companies under joint control						
Immobiliare Novoli S.p.a.	Florence	Florence	7	Banca Monte dei Paschi di Siena	50.00	-
MB Speedup	London	London	7	Mediobanca S.p.A.	50.00	
B. Companies under significant influence						
Axa Mps Assicurazioni Danni S.p.a.	Rome	Rome	8	Banca Monte dei Paschi di Siena	50.000	-
Axa Mps Assicurazioni Vita S.p.a.	Rome	Rome	8	Banca Monte dei Paschi di Siena	50.000	-
Fidi Toscana S.p.a.	Florence	Florence	8	Banca Monte dei Paschi di Siena	27.460	-
Microcredito di Solidarietà S.p.a.	Siena	Siena	8	Banca Monte dei Paschi di Siena	40.000	-
Assicurazioni Generali S.p.A*.	Trieste	Trieste	8	Mediobanca S.p.A.	13.19	13.55
Istituto Europeo di Oncologia S.r.l.	Milan	Milan	8	Mediobanca S.p.A.	25.37	-
CLI Holdings II Ltd	London	London	8	Mediobanca S.p.A.	18.95	-
Finanziaria Gruppo Bisazza S.r.l.	Montecchio Maggiore (VI)	Montecchio Maggiore (VI)	8	Mediobanca S.p.A.	22.67	-

*The interest in Assicurazioni Generali stands at 13.19%. Excluding treasury shares held by the associate, and therefore based on shares outstanding, the economic interest stands at 13.55%.

(1) Type of relationship:

7 = joint control;

8 = companies subject to significant influence.

(2) Votes available in the ordinary shareholders' meeting, distinguishing between actual and potential

For further details on changes, see comments to table "7.5 - Equity investments: annual changes".

7.2 Significant equity investments: book value, fair value and dividends earned

31 12 2025

Company name	Book value		Fair value (1)	Dividends earned (2)
	31 12 2025	31 12 2024		
A. Companies under joint control				
B. Companies under significant influence				
Axa Mps Assicurazioni Vita S.p.a.	619,689	565,995	-	-
Axa Mps Assicurazioni Danni S.p.a.	83,965	90,102	-	30,011
Fidi Toscana S.p.a.	15,588	15,587	-	-
Assicurazioni Generali S.p.a.	6,990,559	-	7,305,214	-
Istituto Europeo di Oncologia S.r.l.	79,444	-	-	-
CLI Holdings II Ltd	28,819	-	-	2,748
Total	7,818,064	671,684	7,305,214	32,759

7.3 Significant equity investments: accounting information

	Cash and cash equivalents	Financial assets	Non-financial assets	Financial liabilities	Non-financial liabilities	Total revenues	Net interest income	Value adjustments and writebacks on tangible 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)	Comprehensive income (3) = (1) + (2)
A. Companies under joint control														
B. Companies under significant influence														
Axa Mps Assicurazioni Danni S.p.a.	X	584,024	11,150	407,316	24,558	161,869	X	X	70,151	47,457	-	47,457	291	47,748
Axa Mps Assicurazioni Vita S.p.a.	X	18,762,880	272,926	17,624,334	13,844	773,415	X	X	133,931	120,422	-	120,422	(18,807)	101,615
Fidi Toscana S.p.a.	X	133,976	89,984	2	110,701	2,795	X	X	514	514	-	514	239	753
Assicurazioni Generali S.p.A.	X	491,939,000	44,307,000	45,710,000	459,842,352	28,596,000	X	X	6,041,000	4,167,000	-	4,167,000	(276,000)	3,891,000
Istituto Europeo di Oncologia S.r.l.	X	71,508	293,468	100,444	112,388	437,152	-	-	8,405	5,372	-	5,372	-	5,372
CLI Holding II Ltd	X	184,000	23,000	17,000	23,442	42,000	X	X	1,000	1,000	-	1,000	-	1,000

7.3a - Reconciliation of accounting information with the book value of equity investments

	AXA MPS ASSICURAZIONI DANNI S.p.A.	AXA MPS ASSICURAZIONI VITA S.p.a.	FIDI TOSCANA S.p.a.	Assicurazioni Generali S.p.A.	Istituto Europeo di Oncologia S.r.l.	CLI Holdings II Ltd
Shareholding	50.00%	50.00%	27.46%	13.55%	25.37%	18.95%
Cash and cash equivalents	X	X	X	X	X	X
Financial assets	584,024	18,762,880	133,976	491,939,000	71,508	184,000
Non-financial assets	11,150	272,926	89,984	44,307,000	293,468	23,000
Financial liabilities	407,316	17,624,334	2	45,710,000	100,444	17,000
Non-financial liabilities	24,558	13,844	110,701	459,842,352	112,388	23,442
Shareholders'equity (100%)	163,300	1,397,628	113,257	30,693,648	152,143	166,558
Group shareholding	81,650	698,814	31,100	4,157,934	38,599	31,563
Cancellation of unrealised intragroup profit/loss	-	(41,000)	-	-	-	-
Goodwill	2,316	46,796	-	4,064,060	-	-
Value adjustments	-	-	(25,633)	-	-	-
Other increases/decreases	0	(84,921)	10,120	(1,231,435)	40,845	(2,743)
Book value of Associate company as at 31 12 2025	83,965	619,689	15,588	6,990,559	79,444	28,819
Book value as at 31 12 2024	90,102	565,995	15,588	-	-	-
Profit (loss) for the year	47,457	120,422	514	1,062,679	(3,075)	(11,970)
Other comprehensive income after tax	291	(18,807)	239	99,225	-	-
Comprehensive income attributable to the Group	23,874	50,808	207	157,438	(780)	(2,268)
Change in Shareholding	-	-	-	6,827,055	80,224	33,836
Dividends	(30,011)	-	-	-	-	(2,748)
Change in equity	-	-	-	7,304	-	-
Other changes	-	2,887	(207)	(1,238)	-	-
Book value of Associate company as at 31 12 2025	83,965	619,689	15,588	6,990,559	79,444	28,819

The amount of EUR 1,231.4 mln under "Other changes" relating to Assicurazioni Generali S.p.A. refers to the offsetting of the goodwill recognised as an asset of the associate as part of the fair value measurement of the insurance group's assets and liabilities.

7.3b – Significant equity investments: information on business

Company name	Type of business
Companies under significant influence	
Axa Mps Assicurazioni Danni S.p.a.	Company specialising in P&C insurance, offering a comprehensive range of insurance solutions tailored to the needs of customers and businesses.
Axa Mps Assicurazioni Vita S.p.a.	Leading company in the domestic insurance market, offering innovative and advantageous solutions for all pension, insurance, savings and investment needs.
Fidi Toscana S.p.a.	A Tuscan financial company which aims to facilitate access to credit for small and medium businesses
Assicurazioni Generali S.p.a.	Company specializing in insurance business (Life and Non-life) as well as Asset and Wealth Management
Istituto Europeo di Oncologia S.r.l.	A specialist medical centre specialising in the diagnosis and treatment of cancer
CLI Holdings II Ltd	CLI Holdings II Limited is a securitization vehicle that subscribes to the capital of CLI II LLP as a Member and issues debt instruments listed on the International Stock Exchange, which are subscribed by institutional investors.

7.4 Non-significant equity investments: accounting information

Name	Book value of equity investment	Total assets	Total liabilities	Total revenues	Gain (Loss) from continuing operations after tax	Gain (Loss) from groups of assets held for sale after tax	Gain (Loss) for the year (1)	Other comprehensive income after tax (2)	Comprehensive income (3) = (1) + (2)
A. Companies under joint control	4,414	117,109	124,021	9,647	(7,068)	-	(7,068)	-	(7,068)
B. Companies under significant influence	6,369	36,373	7,630	71	(712)	-	(712)	-	(712)

7.5 Equity investments: annual changes

	Total 31 12 2025	Total 31 12 2024
A. Opening balance	672,284	726,691
B. Increases	7,201,276	75,217
B.1 Purchases	6,951,743	-
B.2 Write-backs	-	-
B.3 Revaluations	231,155	75,217
B.4 Other increases	18,378	-
C. Decreases	44,550	129,624
C.1 Sales	-	-
C.2 value adjustments	-	-
C.3 Write-downs	3,265	988
C.4 Other decreases	41,286	128,636
D. Closing balance	7,829,009	672,284
E. Total revaluation	-	-
F. Total write-downs	25,633	25,633

In line B.1 “Purchases”, the amount of EUR 6,951.7 mln refers to the acquisition of equity investments in associates relating to companies included in the scope of the Mediobanca Group.

In line B.3 “Revaluations”, amounting to EUR 231.1 mln relates for EUR 86.8 mln to AXA Group insurance associates and for EUR 144.3 mln to associates of the Mediobanca Group.

The amount of EUR 41.2 mln recognised in line C.4 “Other changes” mainly refers to the reduction in the value of the shareholders’ equity of the investees, for the portion attributable to the Group, as a result of the distribution of dividends.

Reported below is the main embedded goodwill:

Embedded goodwill	31 12 2025	31 12 2024
Assicurazioni Generali	4,064,060	-
Axa Mps Assicurazioni Vita S.p.a.	46,796	46,796
Axa Mps Assicurazioni Danni S.p.a.	2,316	2,316
Total	4,113,172	49,112

7.6 Key considerations and assumptions to determine the existence of joint control or significant influence

The Group considers associate companies, and therefore subject to significant influence, those companies in which it holds a fifth or more of voting rights (including potential voting rights) or in which – despite a lower percentage of voting rights – it has the power of participating in the determination of the financial and operating policies of the investee on account of specific legal agreements such as, for example, the participation in shareholders' agreements, the participation in important committees of the investee as well as the presence of vetoing rights on significant decisions.

The Group considers jointly controlled those companies with respect to which the following circumstances occur simultaneously:

- if an agreement has been entered into that assigns co-participation in the management of the investee's activities via a presence on the Board of Directors;
- none of the parties participating in the agreement holds exclusive control;
- decisions relating to relevant activities are made unanimously by the parties identified (each has an implicit or explicit veto right with regard to relevant decisions).

7.7 Covenants on equity investments in jointly controlled companies

No covenants on equity investments in jointly controlled companies are reported.

7.8 Covenants on equity investments in companies subject to significant influence

In the context of the agreements implementing the Bancassurance Framework Agreement between AXA and MPS signed in 2007 (hereinafter the "Framework Agreement"), the shareholders' agreement signed in 2007 (the "Shareholders' Agreement"), which regulates the corporate governance of the companies, AXA MPS Assicurazioni Vita S.p.A. (hereinafter "AMAV") and AXA MPS Assicurazioni Danni S.p.A. (hereinafter "AMAD"), provides, inter alia, for put and call options in favour of AXA and MPS, respectively, which may be exercised by them upon the occurrence of the following events: change of control, breach of the lock-up, termination and natural dissolution of the Framework Agreement, serious breach and, finally, invalidity of the entire Framework Agreement as a result of a final and no longer appealable arbitration decision or ruling.

The exercise price of the options in question is equal to the market value of the AMAD and AMAV shares defined as their value at the date of the last day of the calendar quarter preceding the quarter of the calendar year in which the communication of the exercise of the put option of AXA or the call option of MPS, as the case may be, is received by MPS or AXA, respectively. This value, established on the basis of the guidelines contained in the Shareholders' Agreement, is compliant with the methods usually adopted in the practice for the valuation of companies operating in the insurance sector, and refers to general principles and methods consistent with the definition of fair value as stated in IFRS 13.

In general, the aforementioned options are linked to conditions precedent and have a protective value typical of joint venture agreements. From an accounting point of view, it should be noted that the put and call options related to all the events mentioned above are not recognised in the Group's Financial Statements, as they do not qualify as derivatives pursuant to the definition stated in IFRS 9. In this regard, it should be noted that the exercise price of the options is given by the fair value of the underlying, therefore the option price is always zero or in cases where the options provide for a weighting factor applied to the exercise price other than 100%, the value of these options is substantially zero given the remote probability of the exercise, which is connected to events under the control of the parties and producing unfavourable economic effects for the party that activates them.

7.9 Significant restrictions

As at the reporting date, there are no significant restrictions on the ability of the jointly controlled company or associated companies to transfer funds to Group companies, except those attributable to regulatory legislation, which may require the maintenance of a minimum amount of own funds, or the provisions of the Italian Civil Code on distributable profits and reserves.

7.10 Other information

The valuation with the synthetic equity method is carried out on the basis of the Financial Statements referring to 31 December 2025; for other companies over which the Group exercises a significant influence or holds joint control and for which the timing of availability of the financial statements at the end of the financial year is not compatible with the timing of the closing of the consolidated Financial Statements of the MPS Group, reference is made to the last available accounting report, represented, in most cases by the accounting situation as at 30 June 2025. In any case, when the accounting reports of the associate or joint venture used in applying the equity method refer to a date other than the financial statements of the MPS Group, adjustments are made to take into account any effects of significant transactions or events that occurred between that date and the reporting date of the MPS Group.

For the valuation of the investment in Assicurazioni Generali, the equity method was applied on the basis of the accounting position as at 30 September 2025.

Impairment tests on equity investments

As required by IFRS, impairment tests were carried out on equity investments in associated companies and companies subject to joint control to verify whether there is objective evidence of impairment suggesting that the book value of these assets might not be entirely recoverable. In general, the process of recognising impairment involves verifying the presence of certain indicators and calculating any write-down. For further details, please refer to Part A of these Notes to the consolidated financial statements, paragraph "Use of estimates and assumptions when preparing financial statements - Methods for determining impairment of equity investments". In the presence of breach of the impairment indicators, the Group determines the recoverable value using two distinct approaches:

- for companies without positive income or without a multi-year forecast plan, a valuation method based on the company's Shareholders' equity as at 31 December 2025 was used;
- for companies with positive income and/or a multi-year forecast plan, a valuation method based on the discounting of dividend cash flows distributable by the investee company (DDM) was used, except for AXA Vita, for which the Appraisal Value method was used, and Assicurazioni Generali, for which the Sum-of-the-Parts (SOTP) method is employed.

It should be noted that the test was also performed for equity investments acquired following completion of the OPAS and subject to revaluation as part of purchase price allocation process, although no potential impairment indicators have emerged and their carrying amount has therefore been confirmed.

As regards the value of the other Mediobanca's associated investments acquired by the Group following completion of the OPAS and whose fair value of initial recognition was identified with the carrying amount recognised in the financial statement of the acquired company, the valuations carried out by the subsidiary showed that the carrying values of the related investments were maintained.

The valuations carried out as at 31 December 2025 did not highlight the need to recognise value adjustments on the equity investments held by the Group.

Section 8 – Insurance activities – Item 80

The Group did not have insurance activities as at 31 December 2025.

Section 9 - Property, plant and equipment - Item 90

9.1 Property, plant and equipment used in the business: breakdown of assets valued at cost

Asset/Amount	Total	
	31 12 2025	31 12 2024
1. Assets owned	240,643	188,911
a) land	-	-
b) buildings	-	-
c) furniture and furnishings	159,218	128,187
d) electronic systems	43,670	38,860
e) other	37,755	21,864
2. Right of Use acquired through leasing	426,469	159,496
a) land	-	-
b) buildings	403,837	159,132
c) furniture and furnishings	-	-
d) electronic systems	1,579	-
e) other	21,053	364
Total	667,112	348,407
<i>of which: obtained through the enforcement of the guarantees received</i>	<i>200</i>	<i>-</i>

All the Group's property, plant and equipment are measured at cost with the exception of land and buildings.

Item 1 "Assets owned –c) furnishings" includes artworks whose value amounts to EUR 119.4 mln (EUR 119.4 mln at 31 December 2024).

The rights of use acquired under leasing are mainly attributable to lease contracts used as branches and as spaces intended to accommodate ATMs or internal offices; As at the reporting date of these financial statements there are property, plant and equipment obtained through enforcement of collateral, as highlighted under "of which:"

At the reporting date of these financial statements, there are tangible assets obtained through the enforcement of guarantees, as shown in the breakdown below: obtained through enforcement of guarantees received.

9.2 Property, plant and equipment held for investment: breakdown of assets valued at cost

There were no assets measured at cost.

9.3 Property, plant and equipment used in the business: breakdown of revalued assets

Asset/Amount	Total 31 12 2022				Total 31 12 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
1. Assets owned	-	-	1,897,397	1,897,397	-	-	1,451,630	1,451,630
a) land	-	-	1,160,281	1,160,281	-	-	826,877	826,877
b) buildings	-	-	737,116	737,116	-	-	624,753	624,753
c) furniture and furnishings	-	-	-	-	-	-	-	-
d) electronic systems	-	-	-	-	-	-	-	-
e) other	-	-	-	-	-	-	-	-
2. Right of Use acquired through leasing	-	-	-	-	-	-	-	-
a) land	-	-	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-	-	-
c) furniture and furnishings	-	-	-	-	-	-	-	-
d) electronic systems	-	-	-	-	-	-	-	-
e) other	-	-	-	-	-	-	-	-
Total	-	-	1,897,397	1,897,397	-	-	1,451,630	1,451,630
<i>of which: obtained through the enforcement of the guarantees received</i>	-	-	-	-	-	-	-	-

Land and buildings classified as property, plant and equipment used in the business are valued according to the restated value criterion, for valuation subsequent to initial recognition. The line "land" expresses the value of land separately from the value of buildings.

As at 31 December 2025, the Group has granted operating leases of owned assets for business use totalling EUR 2.4 mln, entirely in the categories a) land and b) buildings. For more information on the Group's lease assets, see Part M of these Notes to the Financial Statements.

There were no property, plant and equipment obtained by means of financial leases or through the enforcement of guarantees at the reporting date of these Financial Statements, nor for the comparative financial year.

9.4 Property, plant and equipment held for investment: breakdown of assets measured at fair value

Asset/Amount	31 12 2025				31 12 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
1. Assets owned	-	-	621,788	621,788	-	-	286,681	286,681
a) land	-	-	406,938	406,938	-	-	114,904	114,904
b) buildings	-	-	214,850	214,850	-	-	171,777	171,777
2. Right of Use acquired through leasing	-	-	-	-	-	-	-	-
a) land	-	-	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-	-	-
Total	-	-	621,788	621,788	-	-	286,681	286,681
<i>of which: obtained through the enforcement of the guarantees received</i>	-	-	23,633	23,633	-	-	27,844	27,844

Assets measured at fair value consist of owned real estate not used for business operations. In this regard, it should be noted that the Group does not hold investment assets represented by rights of use acquired through leases.

As at 31 December 2025, the Group has granted operating leases of owned assets held for investment purposes totalling EUR 71.6 mln, entirely attributable to the categories a) land and b) buildings. For more information on the Group's leasing activity, see Part M of these Notes to the Consolidated Financial Statements.

The criteria for classification of property, plant and equipment as an investment property pursuant to IAS 40 are described in the accounting policies, to which reference is made. The disclosure required by IAS 40 paragraph 75 letter c) is not provided, as the classification is not difficult.

At the reporting date of these financial statements, or for the year of comparison, there were no cases under paragraph 75 letter g), h) of IAS 40 attributable to: restrictions on the feasibility of investment properties or on the remittance of income and collections related to the disposal; contractual obligations for the acquisition, construction or development of investment property or for repairs, maintenance or improvements.

9.5 Inventories of property, plant and equipment governed by IAS 2: breakdown

Assets/Amounts	Total	
	31 12 2025	31 12 2024
1. Inventories of property, plant and equipment obtained through enforcement of the guarantees	33,299	-
a) Land	9,755	-
b) Buildings	23,544	-
c) Furniture and furnishings	-	-
d) Electronic systems	-	-
e) Others	-	-
2. Other inventories of property, plant and equipment	20,871	22,359
Total	54,170	22,359
<i>of which: measured at fair value net costs of sales</i>	-	-

Line "1. Inventories of property, plant and equipment obtained through enforcement of guarantees received" includes assets arising from the termination of low-value lease contracts of Mediobanca for which leasing is not considered commercially viable and which are expected to be sold within the next three-year period.

"Other inventories of property, plant and equipment" mainly refer to properties of the Parent Company acquired following the merger by incorporation of former subsidiary MPS Immobiliare S.p.A. in 2014.

9.6 Property, plant and equipment used in the business: annual changes

	Land	Buildings	Furniture and furnishings	Electronic systems	Others	Total 31 12 2025
A. Gross opening balance	859,660	1,521,727	513,972	854,645	528,634	4,278,638
A.1 Total net decrease	32,782	737,842	385,785	815,785	506,407	2,478,601
A.2 Net opening balance	826,878	783,885	128,187	38,860	22,227	1,800,037
B. Increases	386,588	504,117	36,997	29,342	56,472	1,013,516
B.1 Purchases	367,545	379,191	34,869	29,172	55,588	866,365
- Business combinations	367,545	332,544	30,529	9,930	37,607	778,155
B.2 Capitalized expenditure on improvements	-	10,603	-	-	137	10,740
B.4 Increases in fair value booked to:	7,636	9,952	-	-	-	17,588
a) shareholders' equity	4,792	6,754	-	-	-	11,546
b) profit and loss	2,844	3,198	-	-	-	6,042
B.5 Exchange gains	-	41	-	-	3	44
B.6 Transfers from properties held for investment	7,338	13,400	X	X	X	20,738
B.7 Other increases	4,069	90,930	2,128	170	744	98,041
C. Decreases	53,185	147,049	5,966	22,953	19,890	249,043
C.1 Sales	10,597	29,156	-	172	765	40,690
C.2 Depreciation	-	78,867	5,661	15,672	11,870	112,070
C.3 Impairment losses booked to:	-	1,536	15	46	35	1,632
a) shareholders' equity	-	-	-	-	-	-
b) profit and loss	-	1,536	15	46	35	1,632
C.4 Decreases in fair value booked to:	12,174	9,434	-	-	-	21,608
a) shareholders' equity	9,853	3,098	-	-	-	12,951
b) profit and loss	2,321	6,337	-	-	-	8,658
C.6 Transfer to:	18,857	15,184	-	18	-	34,059
a) tangible asset held for investment	18,279	15,116	X	X	X	33,395
b) assets held for sale	578	68	-	18	-	664
C.7 Other decreases	11,557	12,872	290	7,045	7,220	38,984
D. Net closing balance	1,160,281	1,140,953	159,218	45,249	58,809	2,564,510
D.1 Total net decreases	32,783	923,494	443,804	866,215	528,078	2,794,374
D.2 Gross closing balance	1,193,064	2,064,447	603,022	911,464	586,887	5,358,884
E. Carried at cost	653,032	836,088	-	-	-	1,489,120

The furniture, electronic systems and property, plant and equipment included in the “Other” column are valued at cost.

On the other hand, land and buildings are valued according to the restated value method, for valuation after initial recognition at cost.

Line B.1 “Purchases” includes the value of Mediobanca’s property, plant and equipment.

Line B.4 “Positive changes in fair value” shows total changes of EUR 17.6 mln, of which EUR 6.0 mln charged to the Income Statement as write-backs resulting from previous impairment losses and EUR 11.6 mln to valuation reserves. Line C.4 “Negative changes in fair value” shows total changes of EUR 21.7 mln, of which EUR 8.7 mln was charged to the Income Statement and EUR 12.9 mln to the pre-existing valuation reserves. These changes result from the update of the value of the Group’s real estate assets attributable to IAS 16 properties carried out as at 31 December 2025. For details of the valuation methodologies, see paragraph “Fair value level 2 and 3: measurement techniques and inputs used” in Part A of these Notes to the Financial Statements.

Line C3 “Impairment losses charged to: letter (b) income statement” shows the impairment on rights of use on properties.

Lines “B.7 – Other changes” and “C.7 – Other changes”, in the column “buildings”, respectively show the increases and decreases related to the rights of use of some properties, resulting from renewals and the renegotiations of contracts finalised during the year (see table 9.6 a.). The same lines also show in the “land” column the transfers of value between the “building” component and that of the “land” of the same property, in relation to the fact that the unit of measurement considered in order to determine the valuation effects, to be recognised in shareholders’ equity or in the income statement based on the sign, is the individual property. In this regard, it must, in fact, be specified that the opening of the single property between the two components (“land” and “building”) is relevant for the purpose of calculating depreciation, depending on the different deterioration that characterises them; the aforementioned opening, on the other hand, is not relevant for the purpose of a separate determination of the valuation effects, taking into account that the two components of the same property cannot be sold separately.

Line C.6 letter a) “Transfers to property, plant and equipment held for investment purposes” mainly refers to the properties owned by the Group that were reclassified following the change of use of the prevailing portion of the property.

Line E – “Carried at cost” was shown as per the Bank of Italy’s instructions, it needs to be completed for assets accounted for at fair value.

9.6 a Property, plant and equipment used in the business - rights of use acquired: annual changes

	Land	Buildings	Furniture and furnishings	Electronic systems	Others	Total 31 12 2025
A. Gross opening balance	-	436,860	35	20,800	7,712	465,407
A.1 Total net decrease	-	277,728	35	20,800	7,348	305,911
A.2 Net opening balance	-	159,132	-	-	364	159,496
B. Increases	-	329,347	29	1,678	24,437	355,491
B.1 Purchases	-	256,879	29	1,678	23,556	282,142
<i>B. Increases</i>	-	210,232	-	-	14,604	224,836
B.1 Purchases	-	2,409	-	-	137	2,546
a) shareholders' equity	-	41	-	-	-	41
B.7 Other increases	-	70,018	-	-	744	70,762
C. Decreases	-	84,642	29	99	3,747	88,517
C.1 Sales	-	18,413	-	-	765	19,178
C.2 Depreciation	-	51,823	-	99	2,776	54,698
C.3 Impairment losses booked to:	-	1,536	-	-	-	1,536
a) net equity	-	-	-	-	-	-
b) profit and loss	-	1,536	-	-	-	1,536
b) profit and loss	-	-	29	-	-	29
b) assets held for sale	-	-	29	-	-	29
C.7 Other decreases	-	12,870	-	-	206	13,076
D. Net closing balance	-	403,837	-	1,579	21,054	426,470
D.1 Total net decreases	-	457,056	35	20,899	10,124	488,114
D.2 Gross closing balance	-	734,883	35	22,478	31,178	788,574
E. Carried at cost	-	-	-	-	-	-

Line B.1 “Purchases” includes Mediobanca’s rights of use; the same line also shows rights of use arising from the execution of new lease contracts, mainly relating to new lease agreements on properties.

The outcome of the impairment test performed as at 31 December 2025 on rights of use in respect of properties led to the recognition of an impairment loss of EUR 1.0 mln which, together with the write-down of rights of use in respect of properties of EUR 0.5 mln following Parent Company branch closures, was recognised under income statement item 210 “Value adjustments/recoveries on property, plant and equipment” and shown in the above table in line “C.3 Impairment losses recognised in profit or loss”.

“Other increases” in line B.7 shows the changes in the book value of the rights of use resulting from the renewal of existing contracts. “Other decreases” in line C.7 are mainly due to:

- renegotiations of the economic terms of existing contracts, agreed during the financial year;
- release of leased properties as part of the bank branch closure plan and, more generally, early contract terminations.

9.7 Property, plant and equipment held for investment: annual changes

	31 12 2025		
	Lands	Building	Total
A. Opening balance	114,904	171,777	286,681
B Increases	329,640	95,580	425,220
B.1 Purchases	302,069	56,512	358,581
<i>Business combinations</i>	302,069	56,512	358,581
B.2 Capitalized expenditure on improvements	-	1,601	1,601
B.3 Increases in fair value	3,449	2,626	6,075
B.4 Write-backs	-	-	-
B.5 Exchange gains	-	-	-
B.6 Transfers from property used in the business	18,279	15,116	33,395
B.7 Other increases	5,843	19,725	25,568
C. Decreases	37,606	52,507	90,113
C.1 Sales	2,057	8,990	11,047
C.2 Depreciation	-	-	-
C.3 Decreases in fair value	10,994	15,566	26,560
C.4 Impairment losses	-	-	-
C.5 Exchange losses	-	-	-
C.6 Transfers to other asset portfolios	18,210	27,932	46,142
a) properties used in the business	7,338	13,400	20,738
b) Non-current assets held for sale and disposal groups	10,872	14,532	25,404
C.7 Other decreases	6,345	19	6,364
D. Closing balance	406,938	214,850	621,788
E. Measured at fair value	-	-	-

Property, plant and equipment held for investment purposes, consisting entirely of owned properties, are measured at fair value.

Lines B.3 “Positive changes in fair value” and C.3 “Negative changes in fair value” show the changes attributable to changes in fair value estimates following the update of appraisals of Group real estate investments as at 31 December 2025, which were negative for a total of EUR 20.5 mln. In this regard, it should be noted that, for the purposes of compiling the table in question, the valuation effects at fair value were represented as “open balances” between the land component and the building component for each building unit. In the table that breaks down the income statement item “260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value”, where the above mentioned valuation impact is reported, capital gains (losses) are however determined taking the individual property as reference unit.

Line C.6 “Transfers”, Group-owned properties that were reclassified following a change in the use of the predominant portion of the property includes under letter “a) property, plant and equipment used in the business”, whereas properties for which value is expected to be recovered mainly through sale transactions are included under letter “b) non-current assets held for sale and disposal groups”.

The sub-item “E. Measured at fair value”, to be completed for investment properties valued at cost, is blank as all properties are valued at fair value. As at 31 December 2025, the book value of property, plant and equipment held for investment purposes (sub-item D) therefore corresponds to their fair value.

9.8 Inventories of property, plant and equipment governed by IAS 2: annual changes

	Inventories of property, plant and equipment obtained through enforcement of the guarantees					Other Closing balance of tangible assets	Total
	Land	Buildings	Furniture and furnishings	Electronic systems	Others		
A. Opening balance	-	-	-	-	-	22,359	22,359
B. Increase	9,827	23,688	-	-	-	512	34,027
B.1 Purchases	9,827	23,688	-	-	-	196	33,711
of which: Business combination	9,827	23,688	-	-	-	-	33,515
B.2 Write-backs	-	-	-	-	-	316	316
B.3 Exchange gains	-	-	-	-	-	-	-
B.4 Other increases	-	-	-	-	-	-	-
C. Decreases	72	144	-	-	-	2,000	2,216
C.1 Sales	24	111	-	-	-	638	773
C.2 Impairment losses	-	-	-	-	-	940	940
C.3 Exchange losses	-	-	-	-	-	-	-
C.4 Other decreases	48	33	-	-	-	422	503
D. Closing balance	9,755	23,544	-	-	-	20,871	54,170

9.9 Commitments to purchase property, plant and equipment

No commitments to purchase property, plant and equipment were registered in 2025, as was the case for the comparison financial year.

9.10 Property, plant and equipment: depreciation rates

Main categories of property, plant and equipment	%
Buildings	2% - 6.7%
Furniture and furnishings	10% - 12%
Alarm and video systems	20% - 30%
Electronic and ordinary office equipment	20%
Electronic data processing equipment	20% - 25%
Vehicles	20% - 25%
Telephones	20% - 25%

The percentages used for carrying out the depreciations with reference to the main categories of property, plant and equipment are presented in the table. Owing to their indefinite useful life, land and artworks are not depreciated. Investment property measured at fair value is not subject to depreciation.

For buildings for business use, the depreciation rates are determined on the basis of the cluster to which the individual building belongs. The different clusters are defined in terms of useful life, starting from a minimum of 5 years up to a maximum of 50 years.

Note that the rights of use acquired through leasing are depreciated based on the lease contract duration.

Section 10 – Intangible assets – Item 100

10.1 Intangible assets: breakdown by type of assets

Asset / Amount	31 12 2025			31 12 2024		
	Finite Life	Indefinite Life	Total	Finite Life	Indefinite Life	Total
A.1 Goodwill	X	2,961,256	2,961,256	X	7,900	7,900
A.1.1 Group	X	2,961,256	2,961,256	X	7,900	7,900
A.1.2 Minorities	X	-	-	X	-	-
A.2 Other intangible assets	246,689	128,185	374,874	148,166	-	148,166
of which software	230,483	-	230,483	147,199	-	147,199
A.2.1 Assets carried ad cost	246,689	128,185	374,874	148,166	-	148,166
a) internally generated intangible assets	29,315	-	29,315	29,085	-	29,085
b) other assets	217,374	128,185	345,559	119,081	-	119,081
A.2.2 Assets valued at fair value:	-	-	-	-	-	-
a) internally generated intangible assets	-	-	-	-	-	-
b) other assets	-	-	-	-	-	-
Total	246,689	3,089,441	3,336,130	148,166	7,900	156,066

All of the Group's intangible assets are valued at cost.

Intangible assets with an indefinite useful life are mainly represented:

- Widiba's goodwill and the goodwill arising from the Parent Company's acquisition of Mediobanca;
- trademarks and contracts acquired from Mediobanca as part of business combination transactions;

Intangible assets with a finite useful life, on the other hand, consist mainly of software and customer lists, the latter having been acquired by the Mediobanca Group as part of its extraordinary transactions.

Line "A.1 Goodwill" includes goodwill arising from the acquisition of Mediobanca in the amount of EUR 2,953.0 mln. The total goodwill recognised as assets in the financial statements is not subject to systematic amortisation but is tested for impairment. This test was carried out as at 31 December 2025 and did not highlight any impairment losses, as described in more detail below.

In line "A.2.1 Assets carried at cost – a) internally generated intangible assets" includes intangible assets linked to internally generated technology in the amount of EUR 29.3 mln.

Line "A.2.1 Assets carried at cost – b) Other assets" includes, in the "finite life" column, mainly software purchased/produced by third parties for EUR 201.2 mln and, in the "indefinite life" column, trademarks and open-ended asset management contracts with no-fixed maturity, acquired by Mediobanca for EUR 128.2 mln.

Software, recognised in the financial statements for a total of EUR 230.5 mln, is amortised on a straight-line basis over its useful life, normally over a period of three or five years, except in specific cases. Finally, it should be noted that the analysis of the future utility of the main capitalised assets to verify their value retention resulted in an adjustment of about EUR 2.5 mln;

During preparation of the 2025 financial statements, goodwill recognised was tested for recoverability or impairment. In accordance with Document 4 jointly published by Bank of Italy/Consob/IVASS on 3 March 2010 and provisions set out in IAS 36, "Impairment of Assets", the activities carried out to perform the goodwill recoverability test are described below.

Impairment test on Group goodwill

Pursuant to IAS 36, all intangible assets with an indefinite useful life must be tested for impairment at least annually to verify the recoverability of value. The Group performs the impairment test with reference to 31 December of each year, and in any case each time the presence of loss indicators is recorded.

The aforementioned standard requires the determination of the recoverable value, defined as the higher value between fair value and value in use; if it is not possible to directly determine the recoverable value of the specific intangible asset recognised in the Financial Statements, it is necessary to determine the recoverable value of the cash-generating unit to which the asset belongs (hereinafter "CGU - Cash Generating Unit"). In order to identify the CGUs to which to attribute assets to be tested for impairment, it is necessary that the potentially identified units generate cash inflows from continuing use which are largely independent of the cash inflows from other assets or groups of assets, which the Group is able to recognise separately in its management reporting system.

It should also be noted that the assessment procedure and parameters for the impairment test of goodwill were approved by the Board of Directors independently and in advance of the approval of the Consolidated Financial Statements.

a) Identification of goodwill

The goodwill subject to impairment testing, as at 31 December 2025, also includes the provisional goodwill arising from the acquisition of Mediobanca, as at the reporting date of these financial statements no further intangible assets with an indefinite useful life resulting from that acquisition had yet been identified. Please refer to Part G - "Business combinations" for further information on the acquisition cost allocation process.

b) Identification of cash-generating units and allocation of goodwill to the cash-generating units identified

According to IAS 36, each CGU or group of CGUs to which goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes and should not be larger than an operating segment as defined by IFRS 8 ("Operating Segments").

With reference to the scope prior to the Mediobanca acquisition, in continuity with the approach adopted in the impairment test at 31 December 2024, the Group's goodwill was tested by identifying those CGUs into which the Group's operations can be broken down and it is possible to analyse the cash flows that these will be able to generate in future years, based on an approach consistent with the segment reporting presented in the financial statements and, therefore, with management reporting.

The CGUs are identified in line with operating segments (segment reporting), except for the Retail Banking operating segment where it is possible to identify two distinct CGUs, the Retail CGU and the Widiba CGU.

The CGUs, identified on the basis of the above, are as follows:

- **"Retail CGU"**, which includes the income statement/balance sheet results of Retail customers (in particular, the following service models: Valore, including the Valore Famiglie and Valore POE segments; Premium; Premium Top);
- **"Widiba CGU"**, which includes the financial results of Banca Widiba (network of financial advisors and Self service channel);
- **"Wealth Management CGU"**, which includes the income statement/balance sheet results of Private Banking customers (Private Banking and Family Office segments) and the subsidiary MPS Fiduciaria;
- **"CGU Corporate Banking"**, which includes the income statement/balance sheet results of enterprise customers (SME, Corporate Client and Small Business segments) and the Foreign Branches.
- **"CGU Large Corporate e Investment Banking"**, which includes the economic/equity results of Large Corporate customers, of the Corporate Finance and Investment Banking and Global Markets Business Units.

They are consistent with the method of primary representation of income/balance sheet data adopted by the Group (Segment Reporting). The goodwill is allocated to the Widiba CGU and is therefore the only CGU subjected to an impairment test.

With reference to the test of goodwill arising from the acquisition of Mediobanca, it was only possible to identify the Mediobanca CGU in view of the fact that the CGUs of the new consolidated Group have not yet been defined on a combined basis; accordingly, the carrying value subject to the test is equal to Mediobanca's shareholders' equity plus the value of goodwill, which reflects the restatement to fair value of the assets/liabilities acquired as part of the PPA process.

c) Determination of the recoverable value of the CGU

On the basis of the IAS 36 accounting standard, the amount of the impairment loss is determined by the difference between the book value of the CGU and its recoverable amount, if lower. Recoverable amount is defined as the higher of:

- Fair value net of costs to sell - the amount obtainable from the sale of an asset in a regular transaction between market participants, less the costs of disposal;
- Value in use - the present value of estimated future cash flows expected to arise from the continuing use of an asset or from a cash-generating unit (CGU).

The goodwill of Widiba as at 31 December 2025 was tested for impairment by identifying the recoverable amount of the Widiba CGU as the value in use estimated through the discounting of future distributable cash flows.

This test was carried out on the basis of Banca Widiba's 2025 results and the 2026-2027 projections underlying the RAS 2025 (approved by the Parent Company's Board of Directors on 5 February 2025).

The recoverable amount was estimated by applying the Dividend Discount Model (DDM). According to this method, the value of a company is a function of the dividend flow that it is able to generate prospectively. In this case, the method used is the DDM in the Excess Capital variant, which assumes that the economic value of a company is equal to the sum of the present value of future cash flows generated in the chosen planning time horizon and distributable to shareholders while maintaining a level of capitalisation adequate to guarantee the expected future development, and the perpetual capitalisation of the flow of the last forecast year, depending on profitability at full capacity. The application of the DDM involves the use of the following formula:

$$W = \sum_{t=1}^n \frac{F_t}{(1+i)^t} + VT_a$$

where:

F_t = cash flows distributable to shareholders over the selected time horizon based on the economic and financial projections made, maintaining a satisfactory level of capitalisation.

i = discount rate represented by the cost of equity (k_e).

VT_a = present Terminal Value calculated as the value of a perpetual yield that is estimated according to an economically sustainable normalised cash flow consistent with the long-term growth rate ("g").

With reference, on the other hand, to the impairment process for goodwill allocated to the Mediobanca CGU, the recoverable amount was identified as value in use, estimated by discounting future distributable cash flows, and the valuation was carried out considering Mediobanca's economic and financial projections for the period June 2025-June 2028 on the basis of the Business Plan disclosed by the investee to the market on 27 June 2025, appropriately adjusted to take account of the most recent information, adopting the DDM in the Excess Capital version.

Discount rates applied to cash flows for the Widiba CGU test

To discount cash flows distributable to shareholders, the cost of equity was used, i.e. the return on equity required by investors/shareholders for investments with comparable risk characteristics. This rate, equal to 9.75%, is the cost of capital of Widiba as at 31 December 2025 according to the methodology validated by internal¹¹⁵ management committees and calculated using the Capital Asset Pricing Model ("CAPM"), based on the following formula:

$$k_e = R_f + \text{Beta} * \text{ERP} + \text{Alfa}$$

where:

R_f = risk free, equal to the rate of return on risk-free assets, as the 3-month average yield of the 10Y BTP.

Beta = correlation factor between the actual return on a share and the overall return of the relevant market (measure of a security's volatility relative to the market, based on the five-year weekly average of comparables on the FTSE MIB index).

¹¹⁵ Group Finance and Liquidity Committee

ERP = Equity Risk Premium, premium for the risk required by a mature market (US market, 10-year average, source: Damodaran).

Alpha = size premium for Low-Cap companies (source: Duff & Phelps).

The Terminal Value was calculated based on the following formula:

$$VT = \text{normalised distributable cash flow} / (k_e - g)$$

considering a normalised cash flow and an assumed long-term growth rate (g) of 2.0%, approximated by the long-term inflation rate expected in Italy in the long term ("Inflation, end of period consumer prices" - "International Monetary Fund, World Economic Outlook Database, October 2025").

Discount rates of cash flows for the test on the Mediobanca CGU

For discounting cash flows potentially distributable to shareholders, the cost of equity is used. This rate, equal to 8.98%, is the cost of capital of the Mediobanca Group as at 31 December 2025 according to the methodology validated by internal management committees and calculated using the Capital Asset Pricing Model ("CAPM"), based on the following formula:

$$k_e = R_f + \text{Beta} * \text{ERP} + \text{CR}$$

where:

R_f = risk free, equal to the rate of return on risk-free assets, as the 3-year daily average yield of the 10Y BTP.

Beta = correlation factor between the actual return on a share and the overall return of the relevant market (measure of a security's volatility relative to the market), equal to 1.10 (5-year weekly average as at 31 December 2024). In this case, the Mediobanca share and the FTSE MIB index were considered)

ERP = Equity Risk Premium, premium for the risk required by a mature market (source: Damodaran, average HRP over the last 10 years, equal to 5.00%).

The Terminal Value was calculated based on the following formula:

$$VT = \text{normalised distributable cash flow} / (k_e - g)$$

considering a normalised cash flow and an assumed long-term growth rate (g) of 2.00%, approximated by the long-term inflation rate expected in Italy.

Summary of valuation parameters

With reference to the goodwill of the Widiba CGU, the distributable cash flows were therefore determined starting from the 2025-2027 income statement and balance sheet data, as illustrated above, with the following main measurement parameters, which reflect the most recent market conditions, used in determining the recoverable value of the CGU at 31 December 2025:

- a target supervisory ratio (capital ratio) of 9.1% at 2027, taking into account the characteristics of Widiba's business;
- the CGU's cost of capital (k_e) equal to 9.75%, determined using the method described above;
- a long-term growth rate (g) of 2.00%.

With reference to the goodwill allocated to the Mediobanca CGU, the distributable cash flows were determined starting from the 2025-2028 income statement and balance sheet data, which reflect the most recent market conditions, using the following main measurement parameters in determining the recoverable value of the CGU at 31 December 2025:

- estimated distributable earnings applying a target CET1 ratio of 14%1, in line with the target envisaged by the plan;
- the CGU's cost of capital (k_e) equal to 8.98%;
- a long-term growth rate (g) of 2.00%.

d) Impairment test results

Below are the results (in EUR mln) of the impairment test conducted on the Widiba CGU and the Mediobanca CGU based on the analyses carried out.

	Shareholders' equity	Recoverable Value	Delta
Widiba CGU	247	319	72

	Shareholders' equity	Goodwill	Carrying Amount	Recoverable Value	Delta
Mediobanca CGU	14,327	2,953	17,280	25,733	8,452

In conclusion, the impairment test on goodwill did not show any impairment losses either for the Widiba CGU or for the Mediobanca CGU, as the recoverable value is higher than the carrying amount in both cases.

The validity of the assessments performed and the value of goodwill recorded in the financial statements at 31 December 2025 is confirmed by the new Group income projections set out in the 2026-20230 Industrial Plan approved by the Parent Company on 26 February 2026.

e) Sensitivity analysis

In compliance with the provisions of IAS 36, specific sensitivity analyses were carried out on the recoverable value, in order to be able to appreciate the variability of this last value with respect to reasonable changes in some parameters of the valuation model.

In particular, the parameters subject to sensitivity analysis were identified as:

- "cost of capital (Ke)";
- "long-term growth rate (g)";

used in the valuation model both for forecasting purposes (Terminal Value obtained as projection in perpetuity of the last available cash flow at rate "g"), and for the purposes of discounting future distributable cash flows (Ke) and Terminal Value (Ke and g).

Furthermore, the sensitivity analysis also concerned the cash flows used to determine the Terminal Value, corresponding to the expected net profit (loss) for the year in the last year of the updated multi-year projection.

The following table relating to the Widiba CGU shows the differentials expressed in relative terms, between the recoverable value as determined above and the value obtained, in the event of decreasing and increasing the growth rate (g) and the cost of capital (Ke) respectively by 25 bps, with respect to the rates actually used, keeping all the remaining assumptions unchanged. These analyses lead to a reduction in value in use of between a minimum of -0.9% and a maximum of -1.5%. Finally, with reference to the cash flow considered in determining the Terminal Value, a 25% reduction generates a reduction in value in use of -9.8%; taking a stricter perspective, an impairment of goodwill would only occur in the presence of a reduction of more than 54% of the cash flows in Terminal Value.

	CHANGE IN VALUE IN USE		
	Long-term growth rate (g)	Discount rate (Ke)	Cash flow in Terminal Value
	-25 bps	+25 bps	-25%
Widiba CGU	-0.9%	-1.5%	-9.8%

As regards the Mediobanca CGU, the following table shows the differentials expressed in relative terms, between the recoverable value as determined above and the value obtained, in the event of decreasing and increasing the growth rate (g) and the cost of capital (Ke) respectively by 25 bps, with respect to the rates actually used, keeping all the remaining assumptions unchanged. These analyses lead to a reduction in value in use of between a minimum of EUR 598.0 mln and a maximum of EUR 868.0 mln.

	Long-term growth rate (g)	Discount rate (Ke)
	-25 bps	+25 bps
Mediobanca CGU	23,135	24,865

10.2 Intangible assets: annual changes

	Goodwill	Other intangible assets: generated internally		Other intangible assets: other		Total 31 12 2025
		finite life	indefinite life	finite life	indefinite life	
A. Opening balance	6,605,132	561,560	-	2,144,577	-	9,311,269
A.1 Total net decreases	6,597,232	532,475	-	2,025,496	-	9,155,203
A.2 Net opening balance	7,900	29,085	-	119,081	-	156,066
B. Increases	2,953,356	12,826	-	166,052	128,185	3,260,419
B.1 Purchases	2,953,356	-	-	166,037	128,055	3,247,448
- <i>Business combinations</i>	2,953,356	-	-	90,026	128,055	3,171,437
B.2 Increases in internally generated intangible assets	X	12,826	-	-	-	12,826
B.3 Write-backs	X	-	-	-	-	-
B.4 Increases in fair value	-	-	-	-	-	-
- to net equity	X	-	-	-	-	-
- to profit and loss	X	-	-	-	-	-
B.5 Exchange gains	-	-	-	15	130	145
B.6 Other increases	-	-	-	-	-	-
C. Decreases	-	12,595	-	67,760	-	80,355
C.1 Sales	-	-	-	-	-	-
C.2 Write-downs	-	12,595	-	62,595	-	75,190
- Depreciation	-	11,936	-	60,569	-	72,505
- Write-downs	-	659	-	2,026	-	2,685
+ net equity	-	-	-	-	-	-
+ profit and loss	-	659	-	2,026	-	2,685
C.3 Decreases in fair value	-	-	-	-	-	-
- to net equity	X	-	-	-	-	-
- to profit and loss	X	-	-	-	-	-
C.4 Transfers to non-current assets held for sale	-	-	-	3,880	-	3,880
C.5 Exchange losses	-	-	-	-	-	-
C.6 Other decreases	-	-	-	1,285	-	1,285
D. Net closing balance	2,961,256	29,316	-	217,373	128,185	3,336,130
D.1 Total net value adjustments	6,597,232	545,070	-	2,087,740	-	9,230,042
E. Gross closing balance	9,558,488	574,386	-	2,305,113	128,185	12,566,172
F. Carried at cost	-	-	-	-	-	-

Line B.1 “Purchases”, of which “business combination transactions”, includes the intangible assets arising from the acquisition of Mediobanca represented, in addition to goodwill and software, mainly by trademarks for EUR 60.7 mln and by customer contracts and lists for EUR 82.8 mln.

Line C.4 “Transfers to non-current assets held for sale” refers to the intangible assets of the subsidiary Monte Paschi Banque S.A, which are being disposed of.

Line F - “Carried at cost” was left blank in accordance with Bank of Italy's instructions, as it only needs to be completed for assets measured at fair value.

10.3 Other information: amortisation rates

Main categories of intangible assets	%	residual depreciation period
Software	20% - 33%	3 years
Concessions and other licenses	20.00%	
Core deposits	12.5% - 25%	

Finally, there were none of the following as at 31 December 2025:

- revalued intangible fixed assets;
- intangible fixed assets acquired through government concessions (IAS 38, par. 44);
- intangible fixed assets pledged as loan collaterals;
- commitments to purchase intangible assets.

Section 11 - Tax Assets and Liabilities - Item 110 (Assets) and Item 60 (Liabilities)

11.1 Deferred tax assets: breakdown

Items/Amounts	IRES with offsetting entry to P&L	IRES with offsetting entry to Balance Sheet	IRAP with offsetting entry to P&L	IRAP with offsetting entry to Balance Sheet	31 12 2025	31 12 2024
Receivables	231,167	11,046	40,719	2,169	285,101	223,034
Receivables (L. 214/2011)	181,879	-	23,528	-	205,407	84,522
Other financial instruments	175,732	-	40,168	-	215,900	2,444
Goodwill (L. 214/2011)	210,912	671	58,699	171	270,453	252,505
Goodwill	61,133	-	13,338	-	74,471	2,032
Property, plant and equipment	137,895	-	21,645	-	159,540	154,323
Intangible assets	432	-	184	-	616	273
Intangible assets (Law 214/2011)	14,617	-	3,496	-	18,113	17,446
Personnel expenses	7,385	4,369	155	65	11,974	5,137
ACE surplus	3,356	-	-	-	3,356	10,287
Tax losses	2,760,463	49,697	-	-	2,810,160	1,512,196
Financial instruments - valuation reserves	-	38,883	-	11,106	49,989	27,327
Others	217,524	3,308	9,992	-	230,824	227,546
Deferred tax assets (gross)	4,002,495	107,974	211,924	13,511	4,335,904	2,519,072
Offsetting with deferred tax liabilities	(168,961)	(62,577)	(2,079)	(14,307)	(247,924)	(86,454)
Deferred tax assets (net)	3,833,534	45,397	209,845	(796)	4,087,980	2,432,618

11.2 Deferred tax liabilities: breakdown

Items/Amounts	IRES with offsetting entry to P&L	IRES with offsetting entry to Balance Sheet	IRAP with offsetting entry to P&L	IRAP with offsetting entry to Balance Sheet	Total 31 12 2022	Total 31 12 2021
Property, plant and equipment and intangible assets	81,022	122,975	8,459	17,740	230,196	60,893
Financial instruments	522,622	-	104,330	-	626,952	5,325
Personnel expenses	3,685	114	-	-	3,799	4,053
Financial instruments - valuation reserves	-	31,213	-	18,158	49,371	18,373
Others	188,861	95,366	186	371	284,784	2,151
Deferred tax liabilities (gross)	796,190	249,668	112,975	36,269	1,195,102	90,795
Offsetting with deferred tax assets	(168,961)	(62,577)	(2,079)	(14,307)	(247,924)	(86,454)
Deferred tax liabilities (net)	627,229	187,091	110,896	21,962	947,178	4,341

11.3 Deferred tax assets: annual changes (with offsetting entry to the income statement)

	Total 31 12 2025	Total 31 12 2024
1. Opening balance	2,437,836	1,835,647
2. Increases	2,200,983	1,075,879
2.1 Deferred tax assets arising during the year	1,669,158	1,065,562
a) relating to previous years	50	-
b) due to changes in accounting principles	-	-
c) write-backs	1,590,215	987,480
d) other	78,893	78,082
2.2 New taxes or increases in tax rates	22,317	-
2.3 Other increases	7,748	10,317
2.4 Business combinations	501,760	-
3. Decreases	424,401	473,690
3.1 Deferred tax assets derecognised during the year	414,493	457,874
a) reversals	414,129	457,874
b) write-downs of non-recoverable items	-	-
c) changes in accounting principles	-	-
d) other	364	-
3.2 Reduction in tax rates	-	-
3.3 Other decreases	9,908	15,816
a) conversion into tax credits pursuant to Law no. 214/2011	-	-
b) others	9,908	15,816
4. Total	4,214,418	2,437,836

11.4 Deferred tax assets: changes under Italian Law 214/2011 (with offsetting entry to the income statement)

Items/Amounts	Total	
	31 12 2025	31 12 2024
1. Opening balance	353,646	521,524
2. Increases	139,486	-
<i>of which: business combinations</i>	131,693	-
3. Decreases	-	167,878
3.1 Reversals	-	167,876
3.2 Conversion into tax credits	-	-
a) arising from loss for the Year	-	-
b) arising from tax losses	-	-
3.3 Other decreases	-	2
4. Closing balance	493,132	353,646

11.5 Deferred tax liabilities: annual changes (with offsetting entry to the income statement)

	Total 31 12 2025	Total 31 12 2024
1. Opening balance	17,918	22,608
2. Increases	1,086,477	887
2.1 Deferred tax liabilities arising during the year	23,017	101
b) due to changes in accounting principles	4,081	-
c) other	18,936	101
2.2 New taxes or increases in tax rates	6	-
2.3 Other increases	700	786
2.4 Business combinations	1,062,754	-
3. Decreases	195,229	5,577
3.1 Deferred taxes derecognised during the year	194,518	2,227
a) reversals	193,644	2,227
b) due to changes in accounting principles	870	-
c) other	4	-
3.2 Reduction in tax rates	-	-
3.3 Other decreases	711	3,350
4. Closing balance	909,166	17,918

11.6 Deferred tax assets: annual changes (with offsetting entry to equity)

	Total 31 12 2025	Total 31 12 2024
1. Opening balance	81,237	97,743
2. Increases	99,776	2,233
2.1 Deferred tax assets arising during the year	13,624	1,562
a) relating to previous years	-	6
c) other	13,624	1,556
2.2 New taxes or increases in tax rates	1,402	-
2.3 Other increases	575	671
2.4 Business combinations	84,175	-
3. Decreases	59,527	18,739
3.1 Deferred tax assets derecognised during the year	41,896	17,891
a) reversal	41,874	17,891
b) write-downs of non-recoverable items	-	-
c) due to changes in accounting principles	-	-
d) other	22	-
3.2 Reduction in tax rates	-	-
3.3 Other decreases	17,631	848
4. Closing balance	121,486	81,237

11.6.1 Deferred tax assets: changes under Italian Law 214/2011 (with offsetting entry to equity)

Items/Amounts	Total	Total
	31 12 2025	31 12 2024
1. Opening balance	828	1,132
2. Increases	14	-
3. Decreases	-	304
3.1 Reversals	-	304
3.2 Conversion into tax credit	-	-
a) arising from loss for the period	-	-
b) arising from tax losses	-	-
3.3 Other decreases	-	-
4. Closing balance	842	828

11.7 Deferred tax liabilities: annual changes (with offsetting entry to equity)

	Total	Total
	31 12 2025	31 12 2024
1. Opening balance	72,877	73,713
2. Increases	279,966	6,534
2.1 Deferred tax liabilities arising during the year	64,230	6,267
a) relating to previous years	-	-
b) due to changes in accounting principles	6,990	-
c) other	57,240	6,267
2.2 New taxes or increases in tax rates	1,046	-
2.3 Other increases	106,289	267
2.4 Business combinations	108,401	-
3. Decreases	66,906	7,370
3.1 Deferred tax liabilities derecognised during the year	64,566	6,377
a) reversal	20,074	6,377
b) due to changes in accounting principles	-	-
c) other	44,492	-
3.2 Reduction in tax rates	-	-
3.3 Other decreases	2,340	993
4. Closing balance	285,937	72,877

11.8 Other information

Probability test

In compliance with the provisions of accounting standard IAS 12 and the ESMA communication of 15 July 2019, the Group recognised deferred tax assets (DTA) after verifying the existence of future taxable income sufficient for the purposes of reabsorption of the same “Probability test”.

In this test, the different rules set forth in the Italian tax laws which impact the assessment in question were taken into account, in particular:

- art. 2, paragraphs 55-59, of Italian Law Decree no. 225 of 29 December 2010 (converted, with amendments, by Italian Law no. 10 of 26 February 2011) which establishes the obligation for financial intermediaries to convert into tax credits DTAs (IRES and IRAP) relating to goodwill, other intangible assets and impairment losses on receivables, in the case of a loss in the statutory financial statements and/or a tax loss;
- art. 84, paragraph 1 of the TUIR, which allows for the possibility of carrying forward IRES tax losses with no time limits;
- paragraphs 61 to 66, art. 1, of the 2016 Stability Law (Italian Law no. 208 of 28 December 2015) reduced the IRES rate from 27.5% to 24% and simultaneously introduced an IRES additional tax of 3.5% for credit and financial institutions; both measures are effective as of 2017.

The MPS Group incurred significant consolidated tax losses in the past, particularly in the financial years 2016 and 2017, the residual amount of which as at 31 December 2025 is EUR 10.5 bn; these tax losses can be carried forward for offsetting against future taxable income without limits of amount and time and constitute the prerequisite for the recognition in the financial statements of corresponding DTAs, after verifying the existence of future taxable income. In its past financial statements, the Group recognised DTAs on tax losses only to a minimal extent with respect to their nominal value, as the future taxable income considered in the valuation time period was largely absorbed by the *reversal* of DTAs relating to costs with deferred tax deductions, as well as ACE deductions which the Group was able to benefit from as a result of the capital increases carried out from 2011 onwards. The repeal of the ACE incentive, brought about by Italian Legislative Decree 216/2023 with effect from 2023, together with the approval on 5 August 2024 by the Parent Company's Board of Directors of a new Industrial Plan for the 2024-2028 period, which provides for the consolidation and strengthening of the Group's earnings growth, increasing the prospects for absorbing consolidated tax losses, resulted in partial reassessments of the related DTAs recognised in the Group's Financial Statements as at 31 December 2023 and 31 December 2024.

Lastly, with the acquisition of the Mediobanca Group completed during the year, the Group's earnings prospects have further increased, resulting in these Financial Statements in the full reassessment of the residual portion of DTAs from tax losses not recognised in the Group's Financial Statements as at 31 December 2024; in this regard, it should be noted that the Mediobanca Group companies resident in Italy resolved to join the MPS Group tax consolidation, with effect from the 2026 tax period.

From a methodological point of view, the Probability test as at 31 December 2025 was conducted by following the steps specified below.

DTAs relating to goodwill, other intangible assets and impairment losses and adjustments on receivables (“qualified” DTAs), were excluded from the total amount of DTAs for which the existence of sufficient future taxable income needs to be identified. This is because the above-mentioned art. 2, paragraphs 55-59 of Italian Law Decree 225/2010 made the recovery of that type of DTA certain, with respect to both IRES and IRAP, regardless of the presence of future taxable income. Indeed, the above-mentioned rule sets forth that, if taxable income for the financial year in which the recovery of qualified DTAs is expected is not sufficient to absorb them, the resulting tax loss would be convertible into a tax credit that may be, alternatively i) used to offset, with no amount limits, the various taxes ordinarily due from the Group company that incurred the tax loss, or ii) requested in the form of a refund, or iii) transferred to third parties. In addition, qualified DTAs may be converted into tax credit in advance of their natural maturity, in the event of a loss for the year in the statutory financial statements or voluntary liquidation, as well as subjection to bankruptcy proceedings.

In other words, for qualified DTAs the Probability test must be deemed automatically satisfied; this is also confirmed by the joint Bank of Italy, CONSOB and ISVAP document no. 5 of 15 May 2012 “Accounting treatment of deferred tax assets deriving from Italian Law 214/2011”.

For DTAs other than qualified DTAs, the financial year in which the relative recovery is expected has been identified (or estimated when uncertain).

The estimate of taxable income for future financial years was carried out, consistently with other relevant corporate valuation processes, based on the expected evolution of the Group’s income statements available at the reporting date derived from the combination of the 2024-2028 and 2025-2028 Industrial Plans approved by the Boards of Directors of Banca MPS on 5 August 2024 and of Mediobanca on 26 June 2025, respectively.

The estimate of taxable income subsequent to the 2026-2028 three-year period, was carried out assuming that, starting from the first subsequent financial year (from 2029 for these Financial Statements), pre-tax profit (“cap” or “average trend income”), projected over the subsequent years for the 20-year time horizon considered by the probability test and revalued at a growth rate g , allows the Group’s return on equity (ROE) to be no higher than the average ROE recorded in the banking sector over the last 20 years. The above growth rate g was 2%, assumed equal to the nominal growth rate of the economy, in line with the ECB’s long-term inflation target within its monetary stability policy, and unchanged compared to the corresponding figure used in the Financial Statements as at 31 December 2024.

In order to reflect the level of uncertainty that characterises the actual realisation of long-term forecasts, a discount factor was applied to the forecast operating results (Risk-adjusted profits approach) equal to 9%, unchanged from that used for the previous Financial Statements. This factor is calculated also taking into account observable market parameters. In greater detail, the prudential adjustment of taxable income is obtained by discounting the pre-Taxes profit forecasts for each year, starting from 2026 up to the maximum time horizon of 20 years, by the factor of 9%, applied according to the compound capitalisation formula. This results in an increasing reduction of the future taxable flows taken into account, based on the time horizon of the estimate.

Taxable incomes were therefore estimated:

- at domestic tax consolidation level, for the IRES probability test, since for the payment of this tax the Group uses the method set forth in arts. 117 et seq. of the TUIR;
- at individual level for IRES additional tax;
- at individual level for IRAP.

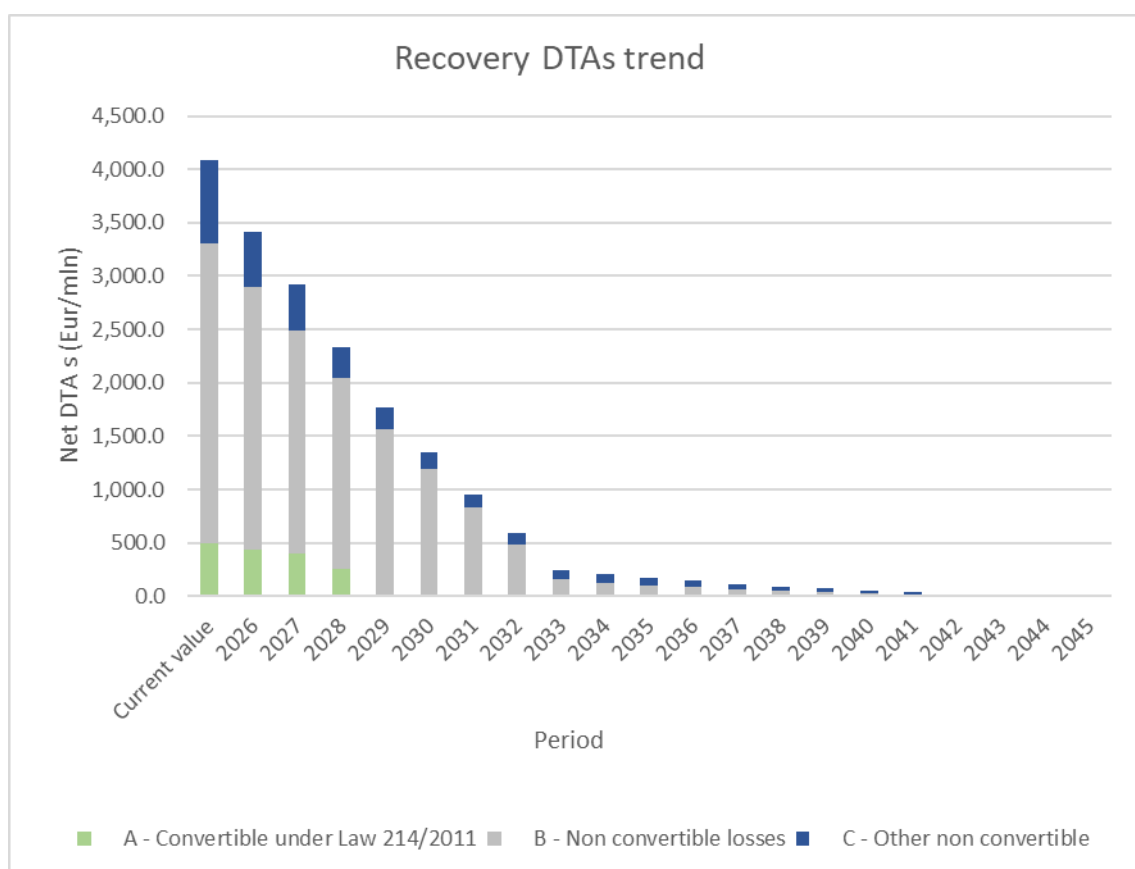
The valuation exercise performed using the model described above resulted in the full revaluation of the DTAs not recognised in the financial statements as at 31 December 2024, with the following impacts on the Group’s accounts:

- with reference to DTAs for prior years’ consolidated tax losses, a revaluation of EUR 1,440.1 mln;
- with reference to DTAs for previous tax losses for the purposes of the IRES surtax, a revaluation of EUR 150.1 mln.

As a result of the above measurement as at 31 December 2025, the Group’s DTAs could be fully recognised as assets in the Balance Sheet (as at 31 December 2024, the DTAs that could not be recognised amounted to EUR 1,587.5 mln). It should be noted that the same assessment carried out considering the new earnings projections included in the 2026-2030 Business Plan, approved by the Parent Company’s Board of Directors on 26 February 2026, would have led to the same results.

The MPS Group’s tax losses, equal to EUR 10,452 mln, accrued mainly in 2016 and 2017, corresponding to the start of the Group’s restructuring process, and derive essentially from significant loan losses for both years. In particular, for 2016 the methodologies and parameters used in measuring loans had to be updated and for 2017 the realisable value of non-performing loans sold during 2018 had to be adjusted. Therefore, pursuant to the provisions of paragraph 36.c) of IAS 12, also taking into account increased Group profitability, it is believed that these unused tax losses derive from “identifiable causes that are unlikely to recur” and in this sense have been included in the valuation process for DTAs that can be partially recognised in financial statements. The following chart shows the expected evolution of the recovery of DTAs recognised in the Financial Statements as at 31 December 2025, both quantitatively and over time, broken down

between convertible DTAs pursuant to Italian Law 214/2011, DTAs from non-convertible losses and other non-convertible DTAs.



In addition to the economic projections derived from the Industrial Plan, the probability test model used in the MPS Group includes some other input data, fluctuations in the value of which may affect the final outcome of the measurement; Specifically, these are:

- 1) amount of the “average YoY income” or “cap” (pre-Taxes income, projected for the years beyond the first three years taken from the Industrial Plan – from 2029 for the present Financial Statements – such as to express a profitability not higher than the average ROE of the banking sector);
- 2) discount rate of future results (coefficient used in the risk-adjusted profits approach);
- 3) growth rate g , assumed equal to the nominal growth rate of the economy.

Thanks to the level of forecast profitability estimated for the Group, reasonably conceivable fluctuations in the value of the above variables do not affect the full recognisability of DTAs as at 31 December 2025; the effect of such fluctuations is limited solely to the timing of recovery of DTAs from tax losses; in the following table, the sensitivity of the model in estimating such timing is shown for both increases and decreases in each of the input data listed above:

recovery horizon	Forecast as at 31 12 2025		Projected trend in the Group's average revenue (per capita) from 2029				Discount rate for projected results				Growth rate g				Forecast without a discount rate	
			-400 mln		+400 mln		-1%		+1%		-1%		+1%			
	Recovery	%	Recovery	%	Recovery	%	Recovery	%	Recovery	%	Recovery	%	Recovery	%	Recovery	%
Within industrial plan (2028)	1,022.4	36.3%	1,023.6	36.4%	1,022.4	36.3%	1,050.0	37.3%	995.7	35.4%	1,022.4	36.3%	1,022.4	36.3%	1,304.9	46.4%
within 6 years (2031)	960.9	34.2%	831.1	29.5%	1,090.7	38.8%	1,018.6	36.2%	906.2	32.2%	949.4	33.7%	972.4	34.6%	1,383.3	49.2%
within 10 years (2035)	726.6	25.8%	838.0	29.8%	615.2	21.9%	654.4	23.3%	795.7	28.3%	733.5	26.1%	719.8	25.6%	125.2	4.5%
over 10 years	103.7	3.7%	120.9	4.3%	85.3	3.0%	90.5	3.2%	115.9	4.1%	108.3	3.8%	98.9	3.5%	0.0	0.0%
Total recovery	2,813.5	100.0%	2,813.5	100.0%	2,813.5	100.0%	2,813.5	100.0%	2,813.5	100.0%	2,813.5	100.0%	2,813.5	100.0%	2,813.5	100.0%

This exercise shows that the model's sensitivity to changes in the indicated input parameters is relatively limited, due to the level of forecast profitability estimated for the Group. In the absence of the discount factor applied to future economic results, an assumption considered in the last columns of the table, DTAs from consolidated tax losses would be recoverable by 2031 and those from tax losses for the purposes of the IRES additional tax by 2034. The outcome of these analyses is substantially confirmed when considering the new earnings projections included in the 2026-2030 Business Plan, approved by the Parent Company's Board of Directors on 26 February 2026.

Current tax assets

Items/Amounts	Total 31 12 2025	Total 31 12 2024
Prepayments of corporate income tax (IRES and IRAP)	327,979	14,505
Other tax credits and withholdings	140,349	186,189
Gross current tax assets	468,328	200,694
Offsetting with current tax liabilities	(200,894)	(96,422)
Net current tax assets	267,434	104,272

Current tax liabilities

Items/Amounts	31 12 2025			31 12 2024		
	Booked to net equity	Booked to P&L	Total	Booked to net equity	Booked to P&L	Total
Corporate income tax (IRES IRAP) payables	(43,724)	464,781	421,057	(1,484)	99,181	97,697
Other current income tax payables	10	(2,082)	(2,072)	-	-	-
Gross current tax payables	(43,714)	462,699	418,985	(1,484)	99,181	97,697
Offsetting with current tax asset	(35,314)	236,208	200,894	(1,484)	97,906	96,422
Net current tax payables	(8,400)	226,491	218,091	-	1,275	1,275

Section 12 - Non-current assets held for sale and disposal groups and associated liabilities

- Item 120 (assets) and 70 (liabilities)

12.1 Non-current assets held for sale and disposal groups: breakdown by type of assets

	Total	
	31 12 2025	31 12 2024
A. Individual assets		
A.1 Financial assets	102,830	57,569
A.2 Equity investments	-	-
A.3 Property, plant and equipment	42,408	16,187
<i>of which: obtained through the enforcement of the guarantees received</i>	7,476	227
A.4 Intangible assets	-	-
A.5 Other non-current assets	-	-
Total A	145,238	73,756
<i>of which valued at cost</i>	110,254	-
<i>of which designated at fair value (level 1)</i>	-	-
<i>of which designated at fair value (level 2)</i>	-	-
<i>of which designated at fair value (level 3)</i>	34,984	73,756
B. Asset groups (discontinued operations)		
B.1 Financial assets measured at fair value through profit or loss	14	13
- financial assets held for trading	14	13
- financial assets designated at fair value	-	-
- 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	186,726	249,219
B.4 Equity investments	-	-
B.5 Property, plant and equipment	13,149	14,859
B.6 Intangible assets	5,388	1,508
B.7 Other assets	851,495	789,310
Total B	1,056,772	1,054,909
<i>of which valued at cost</i>	1,050,146	1,048,284
<i>of which designated at fair value (level 1)</i>	14	13
<i>of which designated at fair value (level 2)</i>	-	-
<i>of which designated at fair value (level 3)</i>	6,612	6,612
C. Liabilities associated with individual assets held for sale		
C.1 Payables	-	-
C.2 Securities	-	-
C.3 Other liabilities	-	-
Totale C	-	-
<i>of which valued at cost</i>	-	-
<i>of which designated at fair value (level 1)</i>	-	-
<i>of which designated at fair value (level 2)</i>	-	-
<i>of which designated at fair value (level 3)</i>	-	-
D. Liabilities associated with discontinued operations		
D.1 Financial liabilities measured at amortised cost	906,667	912,736
D.2 Financial liabilities held for trading	-	-
D.3 Financial liabilities designated at fair value	-	-
D.4 Funds	45,682	39,136
D.5 Other liabilities	23,594	24,827
Total D	975,943	976,699
<i>of which valued at cost</i>	975,943	976,699
<i>of which designated at fair value (level 1)</i>	-	-
<i>of which designated at fair value (level 2)</i>	-	-
<i>of which designated at fair value (level 3)</i>	-	-

Line "A.1 Financial assets", amounting to EUR 102.8 mln, refers to portfolio disposals and single-name disposals of non-performing loans whose preliminary sale and purchase agreements were signed during 2025. The closing of such transactions is expected by the first half of 2026.

Line "A.3 Property, plant and equipment", amounting to EUR 42.4 mln, consists for EUR 33.7 mln of properties previously classified under IAS 40 investment property, for EUR 8.0 mln of IAS 16 property, plant and equipment for functional use and for EUR 0.7 mln of property, plant and equipment governed by IAS 2.

Line “B. Discontinued operations” and “D. Liabilities associated with discontinued operations” includes the asset and liability items referred to the subsidiary Monte Paschi Banque S.A classified as a discontinued operation under IFRS 5.

At the reporting date or for the financial year of comparison, there are no equity securities of clearly poor credit quality.

12.2 Other information

The information relating to the composition of the portfolios included in “Discontinued operations” and “Liabilities associated with discontinued operations” in the previous table 12.1, relating to the subsidiary Monte Paschi Banque S.A. as at 31 December 2025, is set out below. Sub-item “B.7 Other assets” of table 12.1, amounting to EUR 851.5 mln, is mainly attributable to the item “Cash and cash equivalents”, the breakdown of which is shown in the following table.

Cash and cash equivalents Breakdown

	Total 31 12 2025	Total 31 12 2024
a) Cash	3,219	2,699
b) Demand deposits with central banks	748,112	700,494
c) Demand deposits with banks	88,757	77,270
Total	840,088	780,463

Sub-item “B.3 Financial assets measured at amortised cost” of table 12.1, amounting to EUR 186.7 mln, consists of “Loans to banks” for EUR 8.0 mln and “Loans to customers” for EUR 178.7 mln. The detailed tables are set out below.

Financial assets measured at amortised cost: Loans to banks

Type of transaction/Amount	Book value			Total
	Stage 1 and Stage 2	Stage 3	of which: impaired or originated impaired financial assets	
A. Loans to central banks	7,642	-	-	7,642
2. Compulsory reserve	7,642	-	-	7,642
B. Loans to bank	340	-	-	340
1. Loans	340	-	-	340
1.2 Time deposits	340	-	-	340
Total 31 12 2025	7,982	-	-	7,982
Total 31 12 2024	5,482	-	-	5,482

Financial assets measured at amortised cost: loans to customers

Type of transaction/Amount	Book value			Total
	Stage 1 and Stage 2	Stage 3	of which: impaired or originated impaired financial assets	
Loans	163,168	15,576	-	178,744
1.1. Current accounts	12,067	-	-	12,067
1.3. Mortgage	146,535	15,576	-	162,111
1.4. Credit cards, personal loans and fifth-of-salary backed loans	897	-	-	897
1.7. Other transactiones	3,669	-	-	3,669
Total 31 12 2025	163,168	15,576	-	178,744
Total 31 12 2024	221,056	22,683	-	243,739

Sub-item “D.1 Financial liabilities measured at amortised cost” of table 12.1, amounting to EUR 906.7 mln, consists of “Due to banks” for EUR 0.6 mln and “Due to customers” for EUR 906.2 mln. The table below shows the breakdown by product type of due to customers.

Financial liabilities measured at amortised cost Due to customers

Items/accounts	Total 31 12 2025	Total 31 12 2024
	Book value	Book value
1. Current accounts and demand deposits	850,405	852,932
2. Time deposits	49,551	51,545
3 Loans	11	145
3.2 Others	11	145
5. Lease liabilities	6,275	7,528
Total	906,242	912,150

Financial liabilities measured at amortised cost Due to Banks

There are EUR 0.5 mln of “Due to banks”, broken down into “Current accounts and demand deposits” for EUR 0.2 mln and “Time deposits” for EUR 0.3 mln.

Section 13 - Other assets - Item 130

13.1 Other assets: breakdown

	Total 31 12 2025	Total 31 12 2024
Tax credits from the Revenue and other tax levying authorities	2,471,278	2,073,402
Third party cheques held at the cashier's for collection	3,859	3,746
Cheques drawn on the Company held at the cashier's for collection	63,110	718
Gold, silver and precious metals	87,312	100,441
Items in transit between branches	1,046	315
Items in processing	624,342	585,119
Receivables associated with the provision of goods and services	354,087	6,966
Improvements and incremental costs on third party assets other than those included under tangible assets	11,830	14,133
Prepaid expenses and accrued income not attributable to other line items	731,240	560,673
Biological assets	1,821	1,947
Other	1,714,868	323,109
Total	6,064,793	3,670,569

The lines "Items in processing" and "Other" include transactions which are settled in the first days of 2026.

The line "Tax credits from the Revenue and other amounts" includes EUR 1,385.3 mln (EUR 1,804.8 mln as at 31 December 2023) relating to tax credits connected with the "Rilancio" Italian Law Decree acquired as a result of a transfer by direct beneficiaries or previous purchasers.

The line "Accrued income and prepaid expenses not attributable to its own separate item" includes a total of EUR 206.6 mln (EUR 232.8 mln as at 31 December 2024) as prepaid expenses for back office services outsourced, provided by suppliers continuously over the contract term and financially settled by the Group with decreasing amounts over time. For further details on the methods for identifying these types of services, please refer to Part A, paragraph "Other Information - Costs for constant services and decreasing payments" of these Notes to the Financial Statements.

The line receivables associated with the supply of goods and services is mainly represented by invoices issued or to be issued and by advances to suppliers arising from non-financial services provided by companies belonging to the Mediobanca Group.

The line "Other" includes the certificates business listed on EUA markets carried out by the Mediobanca Group, whose carrying amount is EUR 1,375.9 mln; the same line also includes EUR 107.4 mln, of which EUR 97.9 mln relates to incentives recognised by the subsidiary Mediobanca Premier to its network of financial advisers, relating to recruitment incentives granted to financial advisers upon reaching asset-gathering targets, linked to the conclusion of new contracts with customers, which qualify as incremental costs of obtaining the contract pursuant to IFRS 15. The assets attributable to such costs are systematically amortised over a time horizon corresponding to the transfer to the customer of the goods or services to which the asset relates, estimated at eight years for the advisers of the subsidiary Widiba and at nine years for the advisers of the subsidiary Mediobanca Premier.

LIABILITIES

Section 1 - Financial liabilities measured at amortised cost - Item 10

1.1 Financial liabilities measured at amortised cost: breakdown of due to banks

Items/accounts	Total 31 12 2025					Total 31 12 2024				
	Book value	Fair value			Book value	Fair value			Level 1	Level 2
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3		
1. Due to Central banks	10,029,871	X	X	X	8,510,879	X	X	X		
2. Due to banks	16,252,538	X	X	X	1,300,442	X	X	X		
2.1 Current accounts and demand deposits	362,320	X	X	X	80,650	X	X	X		
2.2 Time deposits	45,744	X	X	X	34,477	X	X	X		
2.3 Loans	14,752,949	X	X	X	678,703	X	X	X		
2.3.1 Repurchase agreements	9,846,849	X	X	X	649,658	X	X	X		
2.3.2 Other	4,906,100	X	X	X	29,045	X	X	X		
2.4 Liabilities for commitments to repurchase own equity instruments	-	X	X	X	-	X	X	X		
2.5 Lease liabilities	600	X	X	X	-	X	X	X		
2.6 Other liabilities	1,090,925	X	X	X	506,612	X	X	X		
Total	26,282,409	-	26,282,409	-	9,811,321	-	9,811,321	-		

The balance of the item “Due to central banks”, amounting to EUR 10.0 bn (EUR 8.5 bn as at 31 December 2024), refers to funding operations from the ECB consisting of short-term loans (“MRO/LTRO”) of which LTRO for EUR 3 bn and MRO for EUR 7 bn.

Line 2.3.1 “Repurchase agreements” contains the financial liabilities arising from repo transactions with banks on both treasury securities and securities made available through reverse repurchase agreements or securities lending transactions.

1.2 Financial liabilities measured at amortised cost: breakdown of due to customers

Type of transactions/Amounts	Total 31 12 2025					Total 31 12 2024				
	Book value	Fair value			Book value	Fair value			Level 1	Level 2
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3		
1. Current accounts and demand deposits	92,023,391	X	X	X	66,327,392	X	X	X	X	X
2. Time deposits	15,283,393	X	X	X	6,116,647	X	X	X	X	X
3. Loans	11,014,894	X	X	X	8,703,895	X	X	X	X	X
3.1 Reverse repurchase agreements	8,727,742	X	X	X	6,800,066	X	X	X	X	X
3.2 Others	2,287,152	X	X	X	1,903,830	X	X	X	X	X
4. Liabilities for commitments to repurchase own equity instruments	-	X	X	X	-	X	X	X	X	X
5. Lease liabilities	406,209	X	X	X	166,528	X	X	X	X	X
6. Other liabilities	1,530,046	X	X	X	1,317,733	X	X	X	X	X
Total	120,257,933	-	120,257,933	-	82,632,195	-	82,632,195	-		

Line “3.3.1 Repurchase agreements” contains the financial liabilities arising from repo transactions with customers on both treasury securities and securities made available through reverse repurchase agreements or securities lending transactions.

1.3 Financial liabilities measured at amortised cost: breakdown of debt securities issued

Type of Securities/ Amounts	Total 31 12 2025					Total 31 12 2024				
	Book value	Fair value				Book value	Fair value			
		Level 1	Level 2	Level 3	Total		Level 1	Level 2	Level 3	Total
A. Listed securities										
1. Bonds	35,597,084	10,264,845	25,341,562	-	35,606,407	9,802,805	8,687,964	1,437,666	-	10,125,630
1.1 Structured	3,928,582	-	3,676,641	-	3,676,641	-	-	-	-	-
1.2 Other	31,668,502	10,264,845	21,664,921	-	31,929,766	9,802,805	8,687,964	1,437,666	-	10,125,630
2. Other securities	3,897,031	-	3,775,824	121,207	3,897,031	505,091	-	505,091	-	505,091
2.1 Structured	-	-	-	-	-	-	-	-	-	-
2.2 Other	3,897,031	-	3,775,824	121,207	3,897,031	505,091	-	505,091	-	505,091
Total	39,494,115	10,264,845	29,117,386	121,207	39,503,438	10,307,896	8,687,964	1,942,757	-	10,630,721

The table shows funding represented by securities, including bonds and certificates of deposit (outstanding and maturities).

Liabilities are net of bonds and repurchased CDs. In this regard, it should be noted that as at 31 December 2024, as in the previous financial year, the Group has no outstanding issues with a State guarantee.

The amount of the bonds under sub-item “1.1 - Structured”, equal to EUR 3,928.4 mln refers, for an amount of EUR 3,780.9, to issues with callable/puttable early redemption options, indexed bonds and, finally, equity-linked and index-linked structured bonds.

The amount of the bonds under sub-item “1.2 – Other”, equal to EUR 22,593.8 mln includes EUR 2,849.8 mln relating to bonds issued mainly by the subsidiary Mediobanca Premier and guaranteed by Mediobanca S.p.A., linked to arbitrage strategies on indices, basis (skew), credit derivatives, commodity derivatives, interest rates and inflation. The issues guarantee full repayment of principal at maturity and payment of interest, including additional premiums (extra yield). In the event of a request for early redemption, the issuer may, at its discretion, proceed with repurchase by applying a price that reflects the current fair value, including the value of the underlying transactions.

Pursuant to paragraph 4.3.3 of IFRS 9, the embedded derivative – consisting of the right to incorporate the value of the arbitrage in the repurchase price – was separated from the bond (measured at amortised cost) and recognised at fair value, with effects on the income statement arising from the underlying transactions.

The table includes EUR 22,111.6 mln in liabilities subject to specific fair value hedging (EUR 4,824.6 mln as at 31 December 2024) to offset interest rate risk of which EUR 16,448.5 mln relates to the Mediobanca Group's liabilities.

1.4 Details of subordinated liabilities/securities

Type/Item	Date of issue	Date of maturity	Early repayment starting from	Grand-fathering	Currency	Rate	Step up	31 12 2025		31 12 2024	
								Nominal value	book value	Nominal value	book value
Subordinated loans to bank											
Subordinated loans to customers											
Subordinated debts securities issued											
Subordinated bond loan	18/01/18	18/01/28	18/01/23	NO	Eur	5.375% fixed*	NO	750,000	814,753	750,000	820,232
Subordinated bond loan	23/07/19	23/07/29	NO	NO	Eur	10.5% fixed	NO	300,000	311,824	300,000	311,797
Subordinated bond loan	22/01/20	22/01/30	22/01/25	NO	Eur	8.0% fixed	NO	-	-	400,000	428,321
Subordinated bond loan	10/09/20	10/09/30	10/09/25	NO	Eur	8.5% fixed	NO	-	-	300,000	304,628
Subordinated bond loan	02/07/25	02/10/35	02/07/30	NO	Eur	4.375% fixed**	NO	500,000	497,577		
Subordinated bond loan MB	08/07/16	16/06/26	NO	NO	Eur	3.75% fixed	NO	298,951	304,103		
Subordinated bond loan MB	22/03/17	22/03/29	NO	NO	Eur	1.957% fixed	NO	50,000	50,706		
Subordinated bond loan MB	08/02/23	08/02/33	08/02/28	NO	Eur	6.5% fixed	NO	299,300	21,826		
Subordinated bond loan MB	22/01/24	22/04/34	22/01/29	NO	Eur	5.25% fixed	NO	299,790	26,137		
Subordinated bond loan MB	18/03/25	18/09/35	18/06/30	NO	Eur	4.5% fixed	NO	299,800	305,527		
Total								2,797,841	2,332,452	1,750,000	1,864,978

*5.375% until 18 January 2023, subsequently 5Y EUR mid-swap rate + 5.005%

**4.375% until 02/10/2030, subsequently 5Y EUR mid-swap rate + 2.15%

1.6 Lease payables

Type of transactions/Amounts	31 12 2025	31 12 2024
Lease liabilities	457,737	236,706
Future minimum lease payment included in lease liabilities not discounted up to 5 years	355,775	200,033
Up to 1 month	9,242	6,890
from 1 to 3 months	8,238	5,069
from 3 months to 1 year	67,744	34,498
from 1 to 5 years	270,551	153,576
Not discounted outgoing cash flow for lease liabilities over to 5 years	101,962	36,673

The table shows the non-discounted outgoing cash flows for lease liabilities broken down by time bracket.

Section 2 - Financial liabilities held for trading - Item 20

2.1 Financial liabilities held for trading: breakdown

Type of transaction/ Group item	NV	Total 31 12 2025				FV*
		FV				
		Level 1	Level 2	Level 3	Total	
A. Balance-sheet liabilities						
1. Due to banks	2,889,550	2,813,241	77,583	-	2,890,824	2,890,824
2. Due to customers	3,214,468	3,272,052	24,864	-	3,296,916	3,296,916
3. Debt securities issued	-	-	-	-	-	-
3.1 Bonds	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	-	X
3.1.2 Other	-	-	-	-	-	X
3.2 Other securities	-	-	-	-	-	-
3.2.1 Structured	-	-	-	-	-	X
3.2.2 Other	-	-	-	-	-	X
Total A	6,104,018	6,085,293	102,447	-	6,187,740	6,187,740
B. Derivatives						
1. Financial derivatives		988,286	3,378,585	31,910	4,398,781	
1.1 Trading	X	988,286	3,325,736	31,910	4,345,932	X
1.2 Fair value option (FVO)	X	-	-	-	-	X
1.3 Other	X	-	52,849	-	52,849	X
2. Credit derivatives		-	652,492	6,644	659,136	
2.1 Trading	X	-	652,492	6,644	659,136	X
2.2 Fair value option (FVO)	X	-	-	-	-	X
2.3 Other	X	-	-	-	-	X
Total B	X	988,286	4,031,077	38,554	5,057,917	X
Total (A+B)	X	7,073,579	4,133,524	38,554	11,245,657	X

Key

NV = Nominal or Notional Value

FV = Fair Value

FV*= Fair value calculated excluding value adjustments due to variations in the credit rating of the issuer since the date of issue

The criteria adopted for classification of financial instruments in the three levels of the “fair value hierarchy” are reported in Section A.3, “Information on fair value” of Part A, “Accounting policies” of the notes to the financial statements.

The amounts recognised in rows “1. Due to banks” and “2. Due to customers” mostly relate to those contained in rows “1. Debt securities” and “4. Loans” of asset table 2.1 “Financial assets held for trading”. It should also be noted that the above sub-items “Due to banks” and “Due to customers” include. They are designated at fair value in line with the method applied for “long” positions.

The fair value shown in the table in line B1.1.1 “Financial derivatives for trading” includes value changes due to changes in the Group’s creditworthiness, Debit Value Adjustment (i.e. DVA), amounting to EUR 3.0 mln (EUR 3.3 mln as at 31 December 2024), of which EUR 1.8 mln refers to the DVA on derivatives included in the portfolio of the Mediobanca Group.

Type of transaction/ Group item	Total 31 12 2024					FV*
	NV	FV				
		Level 1	Level 2	Level 3	Total	
A. Balance-sheet liabilities						
1. Due to banks	100,738	103,990	228	-	104,218	104,218
2. Due to customers	1,432,539	1,513,726	-	-	1,513,726	1,513,726
3. Debt securities issued	-	-	-	-	-	-
3.1 Bonds	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	-	X
3.1.2 Other	-	-	-	-	-	X
3.2 Other securities	-	-	-	-	-	-
3.2.1 Structured	-	-	-	-	-	X
3.2.2 Other	-	-	-	-	-	X
Total A	1,533,277	1,617,716	228	-	1,617,944	1,617,944
B. Derivatives						
1. Financial derivatives		1,407	860,309	1,515	863,231	
1.1 Trading	X	1,407	860,309	1,515	863,231	X
1.2 Fair value option (FVO)	X	-	-	-	-	X
1.3 Other	X	-	-	-	-	X
2. Credit derivatives		-	124,570	-	124,570	
2.1 Trading	X	-	124,570	-	124,570	X
2.2 Fair value option (FVO)	X	-	-	-	-	X
2.3 Other	X	-	-	-	-	X
Total B	X	1,407	984,879	1,515	987,801	X
Total (A+B)	X	1,619,123	985,107	1,515	2,605,745	X

Key

NV = Nominal or Notional Value

FV = Fair Value

FV*= Fair value calculated excluding value adjustments due to variations in the credit rating of the issuer since the date of issue

2.2 Details of item 20 “Financial liabilities held for trading”: subordinated liabilities

This table has not been completed as the Group has no such liabilities to report for either the current or the previous year.

2.3 Details of item 20 “Financial liabilities held for trading”: structured liabilities

This table has not been completed as the Group has no such liabilities to report for either the current or the previous year.

Section 3 - Financial liabilities measured at fair value - Item 30

3.1 Financial liabilities measured at fair value: breakdown

Type of transaction / Amount	Total 31 12 2025					
	NV	FV				FV*
		Level 1	Level 2	Level 3	Total	
1. Due to banks	-	-	-	-	-	-
1.1 Structured	-	-	-	-	-	X
1.2 Other	-	-	-	-	-	X
2. Due to customers	1,155,725	-	1,006,737	-	1,006,737	1,006,737
2.1 Structured	1,070,619	-	1,006,737	-	1,006,737	X
2.2 Other	85,106	-	-	-	-	X
<i>of which commitments to disburse funds</i>						
3. Debt securities issued	4,576,439	-	4,057,770	617,964	4,675,734	4,333,223
3.1 Structured	4,469,137	-	3,893,882	617,964	4,511,846	X
3.2 Other	107,302	-	163,888	-	163,888	X
Total	5,732,164	-	5,064,507	617,964	5,682,471	4,333,223

Key

NV = Nominal or Notional Value

FV = Fair value

FV* = Fair value calculated excluding value adjustments due to variations in the credit rating of the issuer since the date of issue

Line 3 Debt securities, of which 3.1 structured, includes financial liabilities represented by certificates issued by the Mediobanca Group for a total of EUR 4,003.4 mln, of which EUR 1,566.1 mln are credit-linked and fixed-rate, EUR 1,766.3 mln are equity-linked and EUR 670.9 mln are delta-one, i.e., without Mediobanca risk. The same line also includes securitised issues for EUR 199.7 mln, of which EUR 22.9 mln are callable.

The overall exposure of the certificates issued is subject to management hedging through derivatives; for certain types of certificates, repayment at maturity is guaranteed through investment in asset securities with a time horizon consistent with the expected life of the product and whose counterparty risk is also highly correlated with Mediobanca risk, thus minimising the balance sheet impact of the change in own creditworthiness recognised on the liability.

For further details on certificates business, please refer to the paragraph “Fair value option” in section “A.2 – Part relating to the main accounting items” of Part A of the Consolidated Notes to the Financial Statements.

Line 3.2 Other debt securities also includes financial liabilities of EUR 126.0 mln represented by fixed-rate bonds issued by the Parent Company and subject to natural hedging carried out through derivative contracts, with the aim of hedging both interest rate risk and the risk arising from the presence of embedded options.

In the income statement, positive and negative spreads or margins relative to derivative contracts until the reporting date are recognised as interest income and expense, while valuation profits and losses are posted under item 80 “Net profit (loss) from trading”.

Profit/loss from financial liabilities measured at fair value is recognised:

- among other income components not reclassified to profit or loss for the amount attributable to changes in own creditworthiness in accordance with IFRS 9.5.5.7;
- in item 110 “Net profit (loss) from other financial assets and liabilities measured at fair value through profit or loss” of the income statement for the residual portion of the fair value change;

It should be noted that for *certificates* issued by the subsidiary Mediobanca – except where the capital does not need to be deployed in related investments – the change in own creditworthiness is recognised in profit or loss in order to avoid

an accounting mismatch with the changes in fair value of the related asset, in line with what is permitted by IFRS 9; accordingly, the entire margin related to the issue is included in item 110 of the income statement “Net profit (loss) from other financial assets and liabilities measured at *fair value* through profit or loss”.

Type of transaction / Amount	Total 31 12 2024					
	NV	FV				FV*
		Level 1	Level 2	Level 3	Total	
1. Due to banks	-	-	-	-	-	-
1.1 Structured	-	-	-	-	-	X
1.2 Other	-	-	-	-	-	X
2. Due to customers	-	-	-	-	-	-
2.1 Structured	-	-	-	-	-	X
2.2 Other	-	-	-	-	-	X
3. Debt securities issued	70,441	-	119,670	-	119,670	127,005
3.1 Structured	-	-	-	-	-	X
3.2 Other	70,441	-	119,670	-	119,670	X
Total	70,441	-	119,670	-	119,670	127,005

Key

NV = *Nominal or Notional Value*

FV = *Fair Value*

FV*= *Fair value calculated excluding value adjustments due to variations in the credit rating of the issuer since the date of issue*

3.2 Details of “Financial liabilities measured at fair value”: subordinated liabilities

This table was not completed as the Group has no such liabilities to report for either the current or the previous year.

Section 4 - Hedging derivatives - Item 40

4.1 Hedging derivatives: breakdown by type of contract and underlying asset

	Fair value 31 12 2025				NV
	Level 1	Level 2	Level 3	Total	
A. Financial derivatives	-	852,204	-	852,204	35,777,764
1) Fair value	-	790,246	-	790,246	33,434,764
2) Cash flows	-	61,958	-	61,958	2,343,000
3) Foreign investments	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-
1) Fair value	-	-	-	-	-
2) Cash flows	-	-	-	-	-
Total	-	852,204	-	852,204	35,777,764

	Fair value 31 12 2024				NV
	Level 1	Level 2	Level 3	Total	
A. Financial derivatives	-	358,391	-	358,391	11,105,812
1) Fair value	-	358,391	-	358,391	11,105,812
2) Cash flows	-	-	-	-	-
3) Foreign investments	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-
1) Fair value	-	-	-	-	-
2) Cash flows	-	-	-	-	-
Total	-	358,391	-	358,391	11,105,812

Key

NV = Nominal or Notional Value

The table displays the negative book value (fair value) of hedging derivatives for hedges carried out through hedge accounting.

Information on the underlying strategies and objectives of hedge transactions can be found in the Section 2 - Market risks in Part E - Information on risks and hedging policies.

4.2 Hedging derivatives: breakdown by hedged portfolios and type of hedging

Transaction/Type of hedge	Fair Value						Cash flow Hedge			Foreign investments	Total 31 12 2025
	Micro Hedge						Macro-hedge	Micro-hedge	Macro-hedge		
	Debt securities and interest rate	Equity instruments and stock indices	currencies and gold	Credit	Goods	Others					
1.Financial assets measured at fair value through other comprehensive income	141,431	-	-	-	X	X	X	13,869	X	X	155,300
2. Financial assets measure at amortised cost	168,675	X	25,524	-	X	X	X	7,245	X	X	201,444
3. Portfolio	X	X	X	X	X	X	24,464	X	-	X	24,464
4. Other transactions	-	-	-	-	-	-	X	-	X	-	-
Total assets	310,106	-	25,524	-	-	-	24,464	21,114	-	-	381,208
1. Financial liabilities	422,524	X	-	-	-	-	X	40,843	X	X	463,367
2. Portfolio	X	X	X	X	X	X	-	X	-	X	-
Total liabilities	422,524	-	-	-	-	-	-	40,843	-	-	463,367
1. Expected transactions	X	X	X	X	X	X	X	-	X	X	-
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	7,629	X	-	-	7,629
Total	732,630	-	25,524	-	-	-	24,464	61,957	-	-	852,204

The tables show the negative fair values of hedging derivatives, classified by hedged assets or liabilities and type of hedging implemented.

Transaction/Type of hedge	Fair Value							Cash flow Hedge		Foreign investments	Total	
	Micro Hedge							Macro-hedge	Micro-hedge			Macro-hedge
	Debt securities and interest rate	Equity instruments and stock indices	Currencies and gold	Credit	Goods	Others						
1. Financial assets measured at fair value through other comprehensive income	72	-	-	-	X	X	X	-	X	X	72	
2. Financial asset measured at amortised cost	239,452	X	74,352	-	X	X	X	-	X	X	313,804	
3. Portfolio	X	X	X	X	X	X	44,515	X	-	X	44,515	
4. Other transaction	-	-	-	-	-	-	X	-	X	-	-	
Total assets	239,524	-	74,352	-	-	-	44,515	-	-	-	358,391	
1. Financial liabilities	-	X	-	-	-	-	X	-	X	X	-	
2. Portfolio	X	X	X	X	X	X	-	X	-	X	-	
Total liabilities	-	-	-	-	-	-	-	-	-	-	-	
1. Expected transactions	X	X	X	X	X	X	X	-	X	X	-	
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	-	X	-	-	-	
Totale	239,524	-	74,352	-	-	-	44,515	-	-	-	358,391	

Section 5 - Change in value of macro-hedged financial assets - Item 50

5.1 Change in value of hedged liabilities: breakdown by hedged portfolios

Fair value change of financial liabilities in hedged portfolios / Values	Total 31 12 2025	Total 31 12 2024
1. Positive fair value change of financial liabilities	-	-
2. Negative fair value change of financial liabilities	(9,819)	(692)
Total	9,819	(692)

This item includes the balance of changes in value of liabilities subject to generic hedging (macrohedging) of interest rate risk, consisting of demand deposits modelled on the basis of behavioural analyses and fixed-rate liabilities whose risk, together with that of a generic portfolio of fixed-rate assets, is monitored on a net basis by the subsidiary Mediobanca; in particular, where the net exposure corresponds to a liability, derivatives are entered into to mitigate such risk.

The fair value of the corresponding hedging derivatives is shown in Table 5.2 (assets) or Table 4.2 (liabilities), both entitled "Hedging derivatives: breakdown by hedged portfolios and type of hedging".

Section 6 – Tax liabilities – Item 60

For comments on tax liabilities, reference should be made to "Section 10 - Tax assets and tax liabilities" of the balance sheet assets.

Section 7 – Liabilities associated with disposal groups– Item 70

For the details of the liabilities associated with assets held for sale, please refer to “Section 11 - Non-current assets and disposal groups and associated liabilities” under balance sheet assets.

Section 8 – Other liabilities – Item 80

8.1 Other liabilities: breakdown

	Total 31 12 2025	Total 31 12 2024
Due to the Revenue and other tax levying authorities	499,023	250,212
Due to social security authorities	357,736	530,168
Amounts available to customers	304,325	81,089
Other amounts due to employees	407,510	16,535
Items in transit between branches	1,288	2,607
Items in processing	571,020	548,055
Payables in relation to the payment of supplies of goods and services	592,315	191,753
Accrued expenses and unearned revenues not attributable to other line items	53,548	41,982
Other	1,523,128	1,469,557
Total	4,309,893	3,131,958

Sub-items “Items in processing” and “Other” include transactions which will be settled in the first days of 2026.

The amount recognised under the sub-item “Payables to social security institutions” includes the funding of EUR 305.4 mln (EUR 480.0 mln as at 31 December 2024) in favour of the Solidarity Fund, net of the payment of the related contribution portion, made by the Group for the management of staff reduction.

The sub-item “Other” includes liabilities arising from acquisition transactions carried out by the Mediobanca Group, mainly attributable to put & call agreements with “Polus Capital”, “RAM AI” and “Messier et Associates”.

For the disclosures pursuant to IFRS 15.116 and IFRS 15.118, please refer to section 13 of the assets.

Section 9 – Provision for employee severance pay – Item 90

9.1 Provision for employee severance pay: annual changes

	Total 31 12 2025	Total 31 12 2024
A. Opening balance	69,739	71,985
B. Increases	24,287	2,469
B.1 Provision for the year	2,602	2,385
B.2 Other increases	21,685	84
<i>of which: business combination</i>	18,905	-
C. Decreases	8,277	4,715
C.1 Severance payments	3,072	1,742
C.2 Other decreases	5,205	2,973
D. Closing balance	85,749	69,739

9.2 Other information

Employee severance pay is defined as a “defined benefit plan”, in accordance with international accounting standards.

The provision for the year, as clarified by the Bank of Italy, does not include amounts which, as a result of the reform introduced by Italian Legislative Decree no. 252 of 5 December 2005, are paid directly by the Bank, depending on the various employee options, to complementary pension schemes or to the treasury fund managed directly by the Italian National Social Security Institute (INPS). These economic components are recognised in personnel expenses ‘payments to external pension funds: defined contribution’. For the Mediobanca Group, the employee severance pay provision relates exclusively to the Group companies resident in Italy.

9.2.a Changes in net defined benefit liabilities during the year: Severance pay

Item/Amount	Present value of DBO	
	31 12 2025	31 12 2024
Opening balance	69,739	71,985
Current service cost	138	29
Interest income/expense	2,464	2,355
Remeasurement of net defined benefit liability (asset):	(2,354)	37
Actuarial gains (losses) arising from changes in demographic assumptions	7	-
Actuarial gains (losses) arising from experience adjustments	(756)	(492)
Actuarial gains (losses) arising from changes in financial assumptions	(1,605)	529
Payments from plan	(3,072)	(1,742)
Other changes	18,834	(2,925)
<i>of which: Business combinations</i>	18,905	-
Closing balance	85,749	69,739

The table above reports the information required by paragraphs 140 and 141 of IAS 19.

9.2.b Key actuarial assumptions used

The actuarial valuation of employee severance pay (TFR) was carried out by an independent actuary, according to the accrued benefit method, using the “Projected Unic Credit” criterion as required by IAS 19. The main demographic assumptions underlying the valuations mainly concern the probability of death of members, estimated using the ISTAT 2023 mortality tables reduced by 20%; in addition, the probability of leaving employment for reasons other than death and the probability of early withdrawal from the fund are also considered. The table below summarises the main economic and financial assumptions on which the analysis is based – namely, the discount rate and the expected average revaluation rate. In particular, for the discount rate, reference was made to the EUR class AA interpolated composite curve, recorded at the valuation date, which assumes the yields of securities issued by corporate issuers in the “AA” rating class, belonging to different sectors, including the Utilities, Telephone, Financial, Bank, Industrial and Operating sectors in the Euro area. With regard to the rate of inflation, necessary for the revaluation of the amounts set aside, the rate defined by the “Medium-Term Budget Structure Plan, Italy 2025 - 2029” of 27 September 2024 was used (with the average annual rate of future inflation expected to be 1.8% for the years 2025-2027, 1.90% for the years 2028 and 2026 and 2.00% for subsequent years).

Key actuarial assumptions/percentage	31 12 2025	31 12 2024
Discount rates	2.80%-4.39%	2.77%-3.35%
Expected average revaluation rate	2.00%-2.49%	2.00%

9.2.c Sensitivity of defined benefit obligation of severance pay to changes in key actuarial assumptions

As required by IAS 19, the sensitivity of the severance pay obligation was tested based on the assumption that the discount rate and the revaluation rate would increase or decrease by 25 bps.

Actuarial assumptions	31 12 2025		31 12 2024	
	Change in DBO	Change (%) in DBO	Change in DBO	Change (%) in DBO
Discount rates				
Increase of 0.25%	(1,577)	-1.84%	(1,249)	-1.79%
Decrease of 0.25%	1,466	1.71%	1,220	1.75%
Expected average revaluation rate				
Increase of 0.25%	890	1.04%	742	1.06%
Decrease of 0.25%	(983)	-1.15%	(746)	-1.07%

Section 10 – Provisions for risks and charges – Item 100

10.1 Provisions for risks and charges: breakdown

Item/Amount	Total 31 12 2025	Total 31 12 2024
1. Provision for credit risk on commitments and financial guarantees issued	166,713	149,639
2. Provision for other commitments and guarantee issued	-	-
3. Pensions and other post retirement benefit obligations	3,173	3,255
4. Other provisions for risks and charges	838,746	781,034
4.1 legal disputes	470,661	468,756
4.2 personnel charges	81,058	44,390
4.3 other	287,027	267,888
Total	1,008,632	933,928

For further details of the sub-item 4.3 “others”, please refer to table 10.6 below “Provisions for risks and charges - Other provisions”.

10.2 Provisions for risks and charges: annual changes

Item/Amount	Total 31 12 2025			
	Provisions for commitments and other guarantees issued	Pensions and other post-retirement benefit obligations	Other provisions	Total
A. Opening balance	-	3,255	781,034	784,289
B. Increases	-	976	320,384	321,360
B.1 Provision for the year	-	518	191,639	192,157
B.2 Changes due to the time value of money	-	-	11,781	11,781
B.3 Changes due to discount rate changes	-	-	1,046	1,046
B.4 Other increases	-	458	115,918	116,376
<i>of which: Business combinations</i>	-	240	111,446	111,686
C. Decreases	-	1,058	262,672	263,730
C.1 Use during the year	-	446	161,359	161,805
C.2 Changes due to discount rate changes	-	-	491	491
C.3 Other decreases	-	612	100,822	101,434
D. Closing balance	-	3,173	838,746	841,919

10.2-bis Other provisions for risks and charges: annual changes

item/amount	Total 31 12 2025			
	Provision for Tax and legal disputes	Provision for personnel changes	Other Provisions	Total
A. Opening balance	468,756	44,390	267,888	781,034
B. Increases	152,632	74,051	93,701	320,384
B.1 Provision for the year	90,426	65,516	35,697	191,639
B.2 Changes due to the time value of money	9,509	239	2,033	11,781
B.3 Changes due to discount rate changes	843	21	182	1,046
B.4 Other increases	51,854	8,275	55,789	115,918
<i>of which: Business combinations</i>	<i>50,853</i>	<i>7,198</i>	<i>53,395</i>	<i>111,446</i>
C. Decreases	150,727	37,383	74,562	262,672
C.1 Use during the year	77,844	34,772	48,743	161,359
C.2 Changes due to discount rate changes	343	46	102	491
C.3 Other decreases	72,540	2,565	25,717	100,822
D. Closing balance	470,661	81,058	287,027	838,746

For further details, please refer to Section 5 “Operational risks” of Part E of the Notes to the consolidated financial statements.

10.3 Provisions for credit risk relative to commitments and financial guarantees issued

	Provisions for loans commitments and other financial guarantees issued				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets	Total 31 12 2025
Commitments to disburse funds	23,538	25,581	935	-	50,054
Financial guarantees issued	6,612	5,102	104,935	10	116,659
Total 31 12 2025	30,150	30,683	105,870	10	166,713
Total 31 12 2024	17,294	16,226	113,350	7,406	154,276

10.4 Provisions on other commitments and guarantees given

Provision on other commitments under IAS 37 and other guarantees issued under IFRS 4	Total 31 12 2025	
	Nominal Amount	Provision
Other commitments to disburse funds	66,073	-
Other financial guarantees issued	126,698	-
Total	192,771	-

10.5 Defined benefit company pension funds

10.5.1. Description of funds and related risks

The information provided below concerns defined benefit pension funds in favour of employees and terminated employees of the Parent Company and the Group companies, i.e. funds in which the obligation of future payment of retirement benefits is undertaken by the funds and indirectly by the Parent Company, which may be called upon to increase the value of the obligation in the event of inadequate capital assessed in accordance with actuarial criteria.

For each definite benefit plan the Parent Company relies on analyses carried out by an independent certified actuary.

In accounting for plans, the determination of the surplus or deficit is estimated through the use of the actuarial methodology of the “projected unit credit method”; therefore, from the present value of the obligation as shown in the statement of financial position, the fair value of the plan assets, if any, is deducted. For more information, see Part A of these Notes to the financial statements.

The valuations concerning the members, who form a closed group of employees in service and those who have left, were carried out on the basis of the groups present in December 2025.

In accordance with IAS 19, in determining the total cost of each defined benefit plan, which - as is well-known - may be influenced by many variables, objective and prudential technical bases were adopted in formulating both demographic and financial assumptions.

In view of the evolutionary nature of the main relevant aggregates, actuarial valuations were performed under dynamic conditions, so as to subsume in the medium-long term both the average annual changes in the benefits defined in each plan, and the interest rate trends expected in the financial markets.

The main actuarial assumptions used as the basis for the valuation include:

- technical mortality basis: the death probabilities from the ISTAT 2023 tables, broken down by gender and age, were used, with mortality reduced by 30% for the funds and by 25% for the Cassa di Previdenza Aziendale for the staff of Monte dei Paschi di Siena only, to take into account the longevity risk;
- economic-financial basis: as the annual relative interest rate, the interpolated EUR Composite AA curve as at 31 December 2025 was used.

For each defined benefit plan, the shareholders' equity in the balance sheet resulting from valuations after actuarial reconciliation of liabilities and assets as at 31 December 2025 was therefore subjected to sensitivity analysis to reflect changes in the main technical assumptions included in the calculation model (average annual discount rate and inflation rate), and the results were presented in specific tables.

The defined benefit funds, in which the Parent Company is co-obliged within the limits set out in the by-laws or in the regulations of each fund, are independent external funds.

The 2023 merger of defined benefit pension schemes within section B of the Monte dei Paschi di Siena Pension Fund does not alter the Bank's pension obligations. Therefore, the Parent Company recognises a net liability where there is an equity deficit in the MPS Fund and a net asset where there is a surplus.

Monte dei Paschi di Siena Pension Fund

(Bank Register no. 1643)

The Fund has legal status and full independence in terms of capital and operation.

The Fund's governance consists of a Board of Directors and a Board of Statutory Auditors with joint membership (some of the members are appointed by the Bank and others are appointed by the participants) supported by the General Manager.

The Parent Company provides, free of charge, the employees, premises and other resources required for the autonomous management of the Fund and incurs all the related costs and expenses, including those for the functioning of the governing and control bodies.

The Fund, albeit in its subjective unitary nature, is divided into two separate Sections for accounting and equity purposes: Section A, defined contribution with individual capitalisation, which operates according to criteria of correspondence between accumulation and benefits; Section B, defined benefit or collective capitalisation, to which the assets pertaining to the ex defined benefit funds are allocated.

In terms of guarantees given, in accordance with Article 42 of the By-laws, any shortfall in the cover capital of Section B that may emerge from the periodic audits will be settled by the Bank in relation to the joint guarantee towards members and third parties assumed by the Bank itself.

The assets that make up the reference assets are managed in a separate section set up for this purpose.

The technical financial statements prepared according to IAS 19 by the appointed actuary shows the capital adequacy of Section B.

Section B of the Fund is single and indivisible and continues to pay benefits without interruption, as set out in the regulations and by-laws of the former funds merged into it. Each benefit is specifically defined according to the applicable rules, but each individual benefit draws on the common assets of Section B.

The following table summarises, for each of the former defined benefit funds merged into Section B of the Monte dei Paschi di Siena Pension Fund, the populations (retirees, active and deferred members), defined benefit obligations (Defined Benefit Obligation), asset fair value (Asset Fair Value) and any surplus as at 31 December 2025.

	Retired	Active	Deferred	Asset Fair Value (Eur/mln)	Defined Benefit Obligation (Eur/mln)	Surplus (Eur/mln)
Supplementary pension provision for staff in the former tax collection division of Banca Monte dei Paschi di Siena S.p.A. (Register no. 9185)	238	0	0		10.14	
Treatment of INPS (Italian state pension Institute) performance for former Banca Operaia di Bologna staff (Bank Register no.9142)	58	0	0		3.89	
Pension provision for employees of former Banca di Credito Popolare e Cooperativo di Reggio Emilia (Bank Register no.9178)	5	0	0		0.38	
Pension provision for employees of former Banca Popolare Veneta (Bank Register no. 9066).	7	0	0		0.12	
Pension fund for MPS Capital Services Banca per le Imprese S.p.A. (Register no.9134)	23	0	0		1.38	
Pension provision for employees of former Banca Nazionale Agricoltura (Bank Register no. 9047))	158	0	3		5.82	
Complementary pension provision for employees of former Banca Toscana (Bank Register no. 9110))	587	3	0		44.61	
Pension Fund for personnel of former Banca Agricola Mantovana S.p.A. (Bank Register no. 1341)	23	0	0		0.44	
Pension Fund for personnel of former Banca Antonveneta S.p.a. (Register no. 1033)	21	0	0		1.00	
TOTAL	1,120	3	3	80.22	67.78	12.44

*Company pension fund for personnel of Monte dei Paschi di Siena**(Bank Register no. 1127)*

The Fund has legal status and full independence in terms of capital and operation.

It is reserved to employees and retirees of the Parent Company hired until 31 December 1990 who, following the agreement of 30 June 1989, opted to remain in the specific supplementary benefit Section under a defined benefit regime.

The Fund's governance consists of a Board of Directors and a Board of Statutory Auditors with joint membership (some of the members are appointed by the Bank and others are appointed by the participants) supported by the General Manager.

The Parent Company provides, free of charge, the employees, premises and other resources required for the autonomous management of the Cassa and incurs all the related costs and expenses, including those for the functioning of the governing and control bodies.

In terms of guarantees given, in accordance with art. 26 of the Articles of Association, any deficits in Section coverage which should be identified during actuarial checks will be made up by the Bank only to the extent necessary to maintain tier 1 services, in accordance with the guarantee to the participants undertaken in compliance with Italian Law no. 218/90 and referred to in the agreement of 24 June 1991.

The supplementary benefits, which are determined by subtracting the benefits paid out by INPS from the annual amount of the supplementary benefits, are made up of two components. The first component increases the benefits to be paid by the Cassa up to 70% of the fixed items of the salary of an employee of the same level, and the second component increases the supplementary benefits by a further 9%.

The assets that comprise the reference capital consist primarily of investments in securities, managed almost entirely under a financial management agreement, and properties.

The population is composed of 2,001 retirees, 80 active members and 13 deferred members.

The technical report prepared in accordance with IAS 19 by the designated actuary shows the capital adequacy of the Supplementary Section, which, with an asset fair value (Asset Fair Value) – calculated based on the last available value (30 November 2025) – of EUR 238.2 mln, is offset by a defined benefit obligation (DBO) as at 31 December 2025 of EUR 51.6 mln.

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The defined benefit pension fund for personnel of the London branch (BMPS UK Pension Fund) is designed to pay for the employees' benefits upon reaching normal retirement age as well as benefits to other surviving beneficiaries. The pension plan is administered by a Trustee, whose members also include active employees; the financial resources are managed by a specialised company. The technical report prepared in accordance with IAS 19 criteria by the designated actuary, as at the valuation date of 31 December 2025, shows the capital adequacy of the plan which, with an asset fair value (Asset Fair Value) of EUR 36.6 mln, offsets a DBO (Defined Benefit Obligation) of EUR 30.7 mln.

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With reference to supplementary benefits relating to the former Credito Lombardo S.p.A., given the contractual nature of the obligation, the related costs are borne directly by the Bank. The currently limited number of individuals entitled to benefits concerns a total of 59 immediate pensions, of which 40 are direct and 19 are indirect. The actuarial calculations at the valuation date of 31 December 2025 show a DBO (Defined Benefit Obligation) of EUR 1.25 mln.

Finally, there is one position referring to a former General Manager of the Bank to whom specific economic benefits other than pension benefits are disbursed. In any event, they are assessed on the basis of actuarial parameters in order to determine the value of the Bank's obligation. This type of remuneration, specified contractually, consists in the payment of monthly benefits revalued on the basis of automatic pension equalisation indexes.

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With regard to the Mediobanca aggregation, the only corporate defined benefit pension fund is the defined benefit plan of the subsidiary RAM AI, set up for employees under Swiss local legislation. For the purpose of determining the plan

surplus or deficit, an estimate by an independent external professional was used who, through the “projected unit credit” method, determined the present value of the obligation resulting from the latest technical report available as at 31 December 2025. The resulting value is then adjusted by the fair value of the assets serving the plan.

The fund population consists of 29 active employees. The technical report prepared by the actuary showed a DBO of approximately EUR 9.8 mln, against an asset fair value (Asset Fair Value), calculated on the basis of the latest available value, of EUR 9.6 mln.

10.5.2 Changes in net defined liability (asset) and reimbursement rights during the financial year

The following tables show movements for the financial year in internal and external funds which, according to international accounting standards, come under the heading of defined benefit funds.

10.5.2a Changes in net defined liability (asset) and reimbursement rights during the year: Internal Funds

Item/Amount	31 12 2025			
	A (-)	B (+)	C (+)	D=A+B+C
	Plan assets	Present value of DBO	Effect of asset ceiling	Net defined benefit liability (asset)
Opening balance	-	3,255	-	3,255
Current service cost	X	-	X	-
Interest income/expense	-	87	-	87
Remeasurement of net defined benefit liability (asset):	-	95	-	95
Return on plan assets excluding interest	-	X	X	-
Actuarial gains (losses) arising from changes in demographic assumptions	X	134	X	134
Actuarial gains (losses) arising from experience adjustments	X	(29)	X	(29)
Actuarial gains (losses) arising from changes in financial assumptions	X	(10)	X	(10)
Changes in effect of limiting net defined benefit asset to asset ceiling	X	X	-	-
Past service cost and gains (losses) arising from settlements	X	-	X	-
Changes in foreign exchange rates	-	-	-	-
Contributions to plan:	-	-	-	-
by employer	-	-	X	-
by employee	-	-	X	-
Payments from plan	-	(446)	X	(446)
Effect of business combinations and disposals	-	-	-	-
Effect of any plan curtailments	-	-	X	-
Effect of any plan settlements	-	-	X	-
Other changes	-	-	-	-
Closing balance	-	2,991	-	2,991

The net defined benefits liability reported in the “Opening balance” line is attributable to the previously existing Credito Lombardo S.p.A. and Provveditore funds, which were excluded from the 2023 merger of internal funded and unfunded funds into section B of the MPS Pension Fund.

Item/Amount	31 12 2024			
	A (-)	B (+)	C (+)	D=A+B+C
	Plan assets	Present value of DBO	Effect of asset ceiling	Net defined benefit liability (asset)
Opening balance	-	3,381	-	3,381
Current service cost	X	-	X	-
Interest income/expense	-	110	-	110
Remeasurement of net defined benefit liability (asset):	-	224	-	224
Return on plan assets excluding interest	-	X	X	-
Actuarial gains (losses) arising from changes in demographic assumptions	X	-	X	-
Actuarial gains (losses) arising from experience adjustments	X	147	X	147
Actuarial gains (losses) arising from changes in financial assumptions	X	77	X	77
Changes in effect of limiting net defined benefit asset to asset ceiling	X	X	-	-
Past service cost and gains (losses) arising from settlements	X	-	X	-
Changes in foreign exchange rates	-	-	-	-
Contributions to plan:	-	-	-	-
by employer	-	-	X	-
by employee	-	-	X	-
Payments from plan	-	(460)	X	(460)
Effect of business combinations and disposals	-	-	-	-
Effect of any plan curtailments	-	-	X	-
Effect of any plan settlements	-	-	X	-
Other changes	-	-	-	-
Closing balance	-	3,255	-	3,255

10.5.2b Changes in net defined liability (asset) and reimbursement rights during the year: External Funds

Item/Amount	31 12 2025			
	A (-)	B (+)	C (+)	D=A+B+C
	Plan assets	Present value of DBO	Effect of asset ceiling	Net defined benefit liability (asset)
Opening balance	(372,568)	160,503	212,066	-
Current service cost	X	424	X	424
Interest income/expense	(12,822)	5,648	7,171	(3)
Remeasurement of net defined benefit liability (asset):	12,056	1,067	(13,190)	(67)
Return on plan assets excluding interest	12,056	X	X	12,056
Actuarial gains (losses) arising from changes in demographic assumptions	X	4,588	X	4,588
Actuarial gains (losses) arising from experience adjustments	X	(2,121)	X	(2,121)
Actuarial gains (losses) arising from changes in financial assumptions	X	(1,400)	X	(1,400)
Change in effect of limiting net defined benefit asset to asset ceiling	X	X	(13,190)	(13,190)
Past service cost and gains (losses) arising from settlements	X	-	X	-
Changes in foreign exchange rates	2,010	(1,651)	(359)	-
Contributions to plan:	(40)	40	-	-
by employer	-	-	X	-
by employee	(40)	40	X	-
Payments from plan	17,929	(17,929)	X	-
Effect of business combinations and disposals	(11,640)	11,882	-	242
Effect of any plan curtailments	-	-	X	-
Effect of any plan settlements	-	-	X	-
Other changes	375	-	(789)	(414)
Closing balance	(364,700)	159,984	204,899	182

Item/Amount	31 12 2024			
	A (-)	B (+)	C (+)	D=A+B+C
	Plan assets	Present value of DBO	Effect of asset ceiling	Net defined benefit liability (asset)
Opening balance	(379,867)	170,290	209,578	-
Current service cost	X	-	X	-
Interest income/expense	(17,694)	5,690	12,004	-
Remeasurement of net defined benefit liability (asset):	9,995	(570)	(9,425)	-
Return on plan assets excluding interest	9,995	X	X	9,995
Actuarial gains (losses) arising from changes in demographic assumptions	X	2	X	2
Actuarially gains (losses) arising from experience adjustments	X	1,402	X	1,402
Actuarial gains (losses) arising from changes in financial assumptions	X	(1,974)	X	(1,974)
Change in effect of limiting net defined benefit asset to asset ceiling	X	X	(9,425)	(9,425)
Past service cost and gains (losses) arising from settlements	X	-	X	-
Changes in foreign exchange rates	(2,101)	1,679	422	-
Contributions to plan:	-	-	-	-
by employer	-	-	X	-
by employee	-	-	X	-
Payments from plan	16,586	(16,586)	X	-
Effect of business combinations and disposals	-	-	-	-
Effect of any plan curtailments	-	-	X	-
Effect of any plan settlements	-	-	X	-
Other changes	513	-	(513)	-
Closing balance	(372,568)	160,503	212,066	-

10.5.2c Changes in net defined benefit liabilities (assets) and reimbursement rights during the financial year – Total

Item/Amount	31 12 2025			
	A (-)	B (+)	C (+)	D=A+B+C
	Plan assets	Present value of DBO	Effect of asset ceiling	Net defined benefit liability (asset)
Internal funds	-	2,991	-	2,991
External funds	(364,700)	159,984	204,899	182
Total defined benefit funds	(364,700)	162,975	204,899	3,173

Item/Amount	31 12 2024			
	A (-)	B (+)	C (+)	D=A+B+C
	Plan assets	Present value of DBO	Effect of asset ceiling	Net defined benefit liability (asset)
Internal funds	-	3,255	-	3,255
External funds	(372,568)	160,503	212,066	-
Total defined benefit funds	(372,568)	163,758	212,066	3,255

10.5.3 Information on the fair value of plan assets

Item	31 12 2025			
	Internal pension plans		External pension plans	
	Listed in active markets	Not listed in active markets	Listed in active markets	Not listed in active markets
Cash and cash equivalents	-	-	107,671	-
of which: used by the Group	-	-	-	-
Equity instruments	-	-	23,344	-
of which: issued by Group	-	-	-	-
Debt instruments	-	-	155,202	-
of which: issued by the Group	-	-	-	-
Real estate	-	-	-	43,159
of which: used by the Group	-	-	-	-
Derivatives	-	-	-	-
UCITS	-	-	25,642	9,682
Asset-backed securities	-	-	-	-
Structured debt	-	-	-	-
Total	-	-	311,859	52,841
<i>of which: own instruments/assets used by the Group</i>	-	-	-	-

The table shows, for funded defined benefit plans, the total amount of plan assets. In particular, the assets refer to the following funds:

- Cassa di Previdenza Aziendale for Monte dei Paschi di Siena employees, defined benefit section,
- Pension Fund for personnel of the Parent Company of the London branch,
- Monte dei Paschi di Siena Pension Fund Section B;
- Pension fund for RAM AI employees.

Item	31 12 2024			
	Internal pension plans		External pension plans	
	Listed in active markets	Not listed in active markets	Listed in active markets	Not listed in active markets
Cash and cash equivalents	-	-	109,150	-
of which: used by the Group	-	-	-	-
Equity instruments	-	-	37,191	-
of which: issued by Group	-	-	-	-
Debt instruments	-	-	143,729	-
of which: issued by the Group	-	-	-	-
Real estate	-	-	-	36,224
of which: used by the Group	-	-	-	-
Derivatives	-	-	-	-
UCITS	-	-	46,274	-
Asset-backed securities	-	-	-	-
Structured debt	-	-	-	-
Total	-	-	336,344	36,224
<i>of which: own instruments/assets used by the Group</i>	-	-	-	-

10.5.4 Key actuarial assumptions used

Key actuarial assumptions/percentages	31 12 2025		31 12 2024	
	Defined benefit funds		Defined benefit funds	
	Internal pension plans	External pension plans	Internal pension plans	External pension plans
Discount rates	3.06%	3.94%	2.86%	3.67%
Expected average revaluation rate	2.00%	2.18%	2.00%	2.22%

A discount rate of 3.06% was used for internal plans and of 3.94% for external ones (a range of rates between 2.80% and 4.39% for Provision for severance pay, see table 9.2b), calculated as a weighted average of interest rates in EUR Composite AA yield curve as at 31 December 2025, using, as weights, the ratio between the amount paid/paid in advance for each maturity and the total amount to be paid/pay in advance for the entire duration of the population considered. The EUR Composite AA curve is obtained daily through the Bloomberg information provider and refers to a basket of securities issued by "investment grade" Corporate issuers included in the "AA" rating class resident in the Eurozone and belonging to different sectors, including Utility, Telephone, Financial, Bank and Industrial. The curve expresses the market yields of the securities of leading companies in the country where the Group operates, in line with IAS 19.

10.5.5 Information on amount, timing and uncertainty of cash flows

31 12 2025

Actuarial assumption	Change in DBO	Change (%) in DBO
Discount rate		
Increase of 0.25%	(4,460)	-2.74%
Decrease of 0.25%	4,337	2.66%
Expected average revaluation rate		
Increase of 0.25%	2,373	1.46%
Decrease of 0.25%	(2,718)	-1.67%

31 12 2024

Actuarial assumption	Change in DBO	Change (%) in DBO
Discount rate		
Increase of 0.25%	(4,458)	-2.72%
Decrease of 0.25%	4,310	2.63%
Expected average revaluation rate		
Increase of 0.25%	2,581	1.58%
Decrease of 0.25%	(2,944)	-1.80%

10.5.6 Plans covering multiple employers10.5.7 Defined benefit plans sharing risks among entities under common control

Plans having these characteristics are not present for the Group.

10.6 Provisions for risks and charges: other provisions

Items/Amounts	Total	Total
	31 12 2025	31 12 2024
2.1 Legal disputes	470,661	468,756
- Revocatory	11,942	13,943
- Other legal disputes	416,336	442,800
- Tax disputes	42,383	12,013
2.2 Personnel charges	81,058	44,390
- Job disputes	13,605	14,819
- Leaving incentives	801	915
- Other	66,652	28,656
2.3 Other	287,027	267,888
- Risks related to the sale of assets/ business units	5,684	5,672
- Charges due to corporate restructuring	312	2,492
- Payments to financial advisors	20,912	13,389
- Onerous contracts	97,038	104,728
- Charges for embezzlement	65	734
- Claims and Out-of-Court agreements	9,932	11,507
- Refunds related to sales of diamonds	1,503	1,720
- Claw back clause (IFRS 15)	14,578	14,355
- Refunds to customers	4,759	6,268
- Charges for legal services	28,321	30,804
- Other	103,923	76,219
Total	838,746	781,034

The amount of EUR 97.0 mln (EUR 104.7 mln as at 31 December 2024) recognised in the line “Indemnities related to contractual guarantees” represents the provision allocated to cover risks related to contractual guarantees issued as part of derisking transactions of non-performing loans.

The EUR 66.6 mln recognised in the line ‘Personnel Expenses - Other’ includes the allocation for the personnel incentive scheme.

It should also be noted that, as at 31 December 2025, Compass Banca had in place a provision of EUR 9.2 mln relating to risks connected with customer reimbursement claims for ancillary charges paid up-front in the event of early repayment of debt (known as the Lexitox case) and other contractual aspects.

10.7 Contingent liabilities

Item/Type	31 12 2025	31 12 2024
Tax and legal disputes	1,525,592	1,740,957
Revocatory	605	5,424
Other legal disputes	1,506,799	1,712,257
Tax disputes	18,188	23,276
Personnel charges	5,638	12,521
Job disputes	5,638	12,521
Others	255,709	271,819
Total	1,786,939	2,025,297

A contingent liability is defined as i) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not totally under control, or ii) a current obligation that arises from past events but is not recognised because use of resources aimed at producing economic benefits will likely not be required to settle the obligation or because the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not subject to recording but, if deemed “possible”, are solely subject to disclosure. Conversely, contingent liabilities that are deemed to be of “remote” likelihood do not require any disclosure, pursuant to the provisions of IAS 37. Hence, the table above shows only “possible” liabilities.

Similar to “probable” liabilities, contingent liabilities are also monitored because they may, over time, become “remote” or “probable”, with the need, in the latter case, to make the necessary provisions.

In this context, it should be noted that the classification of contingent liabilities and the relative amount is based on non-objective judgements that require recourse to sometimes extremely complex estimation procedures; therefore, they may be subject to redetermination over time.

Specifically, in reference to the dispute, the table shows the relief sought, where quantified; this value cannot be considered a measurement of the expected disbursement in accordance with IAS 37. In fact, the Group does not deem it practical to provide an estimate of the expected disbursement, as the calculation would be complex and onerous.

For further details, please refer to Section 1.5 “Operational risks” of Part E in the Notes to the consolidated financial statements.

Section 11 – Insurance liabilities – Item 110

This section includes liabilities arising from the set of rights and obligations related to a group of insurance contracts, including reinsurance contracts issued, whose valuation is performed through the recognition and measurement of the following amounts:

- Liabilities for remaining coverage (LRC), representing the obligation to indemnify the insured person for the insurance coverage still in force and, therefore, for insurance services not yet provided;
- Liabilities for incurred claims (LIC), representing the obligation to indemnify for insured events that have occurred (though not yet reported) and for insurance services already provided.
- Other components, represented by the set of receivables and payables arising from the rights and obligations defined by the insurance contracts issued.

In particular, the insurance liabilities presented refer to the subsidiary Compass RE, which reinsures CPI (Credit Protection Insurance) policies linked to Compass Banca consumer credit products, issued by leading insurance companies, mainly intended to cover risks such as: loss of employment, total or permanent disability, temporary or permanent incapacity for work.

Given the characteristics of the subsidiary's business, consisting in the issuance of inward reinsurance contracts aimed at covering the risks described above, Compass RE adopted the simplified method for measuring liabilities for remaining coverage, namely the Premium Allocation Approach (PAA), also following the successful completion of the related eligibility test.

Accordingly, at the valuation date the LRC is determined in accordance with the guidance set out in paragraphs 55-58 of IFRS 17, following completion of the PAA eligibility test, which demonstrates that the difference between the value of the insurance liability determined using the pro-rata temporis method and the same value determined using the General Model is not significant. The company also decided not to apply any discount rate to the cash flows considered in measuring the LRC.

Insurance contracts in force at the valuation date are divided into onerous, potentially onerous and non-onerous, according to appropriate materiality thresholds.

The LRC is determined by considering premiums collected, net of acquisition commissions and other acquisition expenses. Where onerous contracts exist, the LRC is presented net of any loss component, which is recognised in the income statement when recorded.

During the contractual coverage period, the LRC is released to the income statement through a process that makes it possible to determine the portion of the premiums collected attributable to the valuation period, net of the related acquisition commissions, representing the consideration for the service provided during the period. The LRC is released by applying the pro-rata temporis method, which makes it possible to reduce the insurance liability as time passes.

Liabilities for incurred claims (LIC) are estimated in accordance with the requirements of IFRS 17, paragraphs 33-37 and B36-B92 and, therefore, in accordance with the General Model. The LIC consists of the sum of the following elements:

- the present value of the cash flows of incurred claims;
- the adjustment for non-financial risks applied to the cash flows referred to in the previous point.

The present value of future cash flows relating to incurred claims is determined as the sum of the estimate of incurred claims, including those not yet reported at the valuation date, inclusive of claims settlement expenses and the Risk Adjustment. This value is subject to a process of unwinding over time and discounting using rates consistent, in terms of maturities and market observability, with the requirements of the standard in order to determine its present value.

The Risk Adjustment reflects the compensation for non-financial risk required by Compass RE for the uncertainty relating to the amount and timing of future cash flows connected with insured events. Compass RE determines the Risk Adjustment using an approach based on the cost of capital applied to discounted expected future claims. The risk adjustment is applied only to the LIC components.

The interaction between IFRS 17 and IFRS 9 may give rise to accounting mismatches between insurance contracts and related financial assets. In order to reduce such mismatches, IFRS 17 permits the disaggregation of insurance finance income and expenses between the income statement and Other Comprehensive Income (OCI). Such disaggregation is carried out at group of contracts level and, for contracts measured under the PAA - Premium Allocation Approach, entails recognising in the income statement the effects measured at historical rates and, in OCI, the difference compared with current rates. Compass RE does not apply this accounting option, recognising in the income statement the entire difference between historical rates and current rates.

As required by the 8th update to Bank of Italy Circular 262/2005, this section sets out the tables provided for by Measures no. 121 of 7 June 2022 and no. 152 of 26 November 2024, which update the provisions issued by IVASS under ISVAP Regulation no. 7 of 13 July 2007 in order to incorporate the new requirements introduced by IFRS 17 on insurance contracts.

Insurance liabilities amounted to EUR 80.4 mln as at 31 December 2025. It should be noted that the insurance liability is presented net of insurance receivables amounting to EUR 5.7 mln and, to a lesser extent, insurance payables.

11.1 Changes in the book value of insurance contracts issued - GMM or VFA – liabilities for remaining coverage and incurred claims

The table is not provided because the Group does not apply the GMM – *General Measurement Model* and VFA – *Variable Fee Approach* models.

11.2 Changes in the carrying amount of insurance contracts issued – Premium Allocation Approach (PAA) – liabilities for remaining coverage and incurred claims – Motor Non-Life segment

Items	31 12 2025				Total
	Liabilities for residual coverage		Liabilities for claims incurred		
	After Loss	Loss	Current value of cash flows	Adjustment for financial risk	
A. initial recognition book value					
1. Insurance contracts issued that constitute liabilities	73,843		7,930	649	82,422
2. Insurance contracts issued that constitute assets					-
3. . Net book value at 1 January	73,843	-	7,930	649	82,422
B. Insurance revenues	(14,028)				(14,028)
C. Costs for insurance services					
1. Claims incurred and other directly attributable costs			3,137		3,137
2. Changes in liabilities for claims incurred			39	(364)	(325)
3. Losses and related recoveries on contracts for consideration					-
4. Amortization of contract acquisition costs	1,383				1,383
5. Total	1,383	-	3,176	(364)	4,195
D. Income from insurance services (B+C)	(12,645)	-	3,176	(364)	(9,833)
E. Net financial costs/revenues					
1. Relating to insurance contracts issued	-	-	(38)	-	(38)
1.1 Recorded through profit or loss			(38)		(38)
1.2 Recorded through other comprehensive income					-
2. Effects associated with changes in exchange rates					-
3. Total	-	-	(38)	-	(38)
F. Investment components					
G. Total amount of changes recorded through profit or loss and other comprehensive income (D+E+F)	(12,645)	-	3,138	(364)	(9,871)
H. Other changes					
Increases	-	-	-	106	106
Business combinations - Internal					-
Business combinations - External					-
Business combinations – mergers					-
Input exchange rate difference (+)					-
Automatic Exchange rate difference (+)					-
Change in the scope of consolidation (+)					-
Change in consolidation method and percentage (+)					-
Other increases(-)				106	106
Decreases	-	-	-	-	-
Business combinations - Internal					-
Business combinations - External					-
Input exchange rate difference (-)					-
Automatic Exchange rate difference (-)					-
Change in the scope of consolidation (-)					-
Change in consolidation method and percentage (-)					-
Other decreases (-)					-
I. Cash handling					
1. Premiums collected	12,050				12,050
2. Payments in connection with contracts acquisition costs	(1,229)				(1,229)
3. Claims paid and other cash outflows			(3,099)		(3,099)
4. Others					-
5. Total	10,821	-	(3,099)	-	7,722
L. Net book value at 31 December (A.3+G+H+I.5)	72,019	-	7,969	391	80,379
M. Final book value					
1. Insurance contracts issued that constitute liabilities	72,019		7,969	391	80,379
2. Insurance contracts issued that constitute assets					-
3. Net book value at 31 December	72,019	-	7,969	391	80,379

The comparative figure is not shown as the Group did not hold this item as at 31 December 2024.

11.3 Changes in the carrying amount of insurance contracts issued broken down by elements underlying measurement

11.4 Changes in insurance revenue and the contractual service margin of insurance contracts issued broken down by contracts existing at the date of transition to IFRS 17

11.5 Elements underlying the measurement of insurance contracts issued during the financial year

11.6 Insurance contracts issued – Claims development gross of reinsurance (Non-Life segment)

The disclosure relating to the above tables is not applicable.

11.7 Insurance contracts issued - Claims development gross of reinsurance - Non-Life segment

Description	31/12/25
A. Cumulative claims paid and other directly attributable costs paid	
1. At the end of the year of occurrence	3,076
2. One year later	X
3. Two years later	X
4. Three years later	X
5. Four years later	X
6. Five years later	X
7. Six years later	X
8. Seven years later	X
9. Eight years later	X
10. Nine years later	X
Total A	3,076
B. Estimate of final cost of cumulative claims (before reinsurance and not discounted)	
1. At the end of the year of occurrence	
2. One year later	X
3. Two years later	X
4. Three years later	X
5. Four years later	X
6. Five years later	X
7. Six years later	X
8. Seven years later	X
9. Eight years later	X
10. Nine years later	X
Total B	-
C. Gross liabilities for claims incurred, not discounted (Total B - Total A)	(3,076)
D. Gross liabilities for claims incurred, not discounted - years prior to T-9	X
E. Discounting effect	X
F. Effect of adjustment for non-financial risks	X
G. Gross liabilities for claims incurred in regard of insurance contracts issued	X

11.8 Insurance contracts issued - Assets related to the acquisition of insurance contracts - Changes in the book value

The Group does not have assets of this type.

11.9 Insurance contracts issued - Assets related to the acquisition of insurance contracts - Expected timing of derecognition

The Group does not have assets of this type.

Section 12 - Redeemable shares - Item 120

The tables in this section have not been completed as no data is present for the current financial year or for the previous financial year.

Section 13 – Group equity – Items 120, 130, 140, 150, 160, 170 and 180

13.1 “Share capital” and “Treasury shares”: breakdown

13.1.a “Share capital”: breakdown

(in units of Eur)

Items/Amounts	31 12 2025		31 12 2024	
	Implied par value share (a)	Par value of fully paid shares	Par value per share	Par value of fully paid shares
Ordinary shares	5.92	17,978,187,187	5.92	7,453,450,788
Total		17,978,187,187		7,453,450,788

On 6 June 2011 the Bank’s Extraordinary Shareholders’ Meeting resolved that indication of the nominal value of the classes of shares be eliminated; accordingly, as at 31 December 2011, the so-called “Implied nominal value” is indicated, which is obtained by dividing the total share capital amount by the number of shares in the same category, outstanding at the reference date.

Ordinary shares are registered and indivisible. Each share entitles to one vote. Information on the number of fully paid-up shares can be found in the notes to Table 13.2, “Share capital – number of shares: annual changes”.

At the reporting date, the Parent Company’s share capital amounted to EUR 17,978,187,187, represented by 3,038,418,183 ordinary shares without a nominal value, all outstanding.

13.1.b “Treasury shares”: breakdown

At the date of these financial statements, the Group holds 233,002 treasury shares for a total value of EUR 1.8 mln.

13.2 Share capital - Parent company's number of shares: annual changes

Item/Type	31 12 2025	31 12 2024
	Ordinary	Ordinary
A. Shares outstanding as at the beginning of the year	1,259,689,706	1,259,689,706
- fully paid	1,259,689,706	1,259,689,706
- not fully paid	-	-
A.1 Treasury shares (-)	-	-
A.2 Shares outstanding: opening balance	1,259,689,706	1,259,689,706
B. Increases	1,778,728,477	-
B.1 New issuances	1,778,728,477	-
- Against payment:	1,778,728,477	-
- Business combinations	1,778,728,477	-
- Bond converted	-	-
- warrants exercised	-	-
- other	-	-
- without payment:	-	-
- to employees	-	-
- to directors	-	-
- other	-	-
B.2 Sale of treasury shares	-	-
B.3 Other increases	-	-
C. Decreases	233,002	-
C.1 Cancellation	-	-
C.2 Purchase of treasury shares	-	-
C.3 Business transferred	-	-
C.4 Other decreases	233,002	-
D. Shares outstanding: closing balance	3,038,185,181	1,259,689,706
D.1 Treasury shares (+)	233,002	-
D.2 Shares outstanding as at the end of the year	3,038,418,183	1,259,689,706
- fully paid	3,038,418,183	1,259,689,706
- not fully paid	-	-

During the 2025 financial year, as part of the voluntary public tender and exchange offer (OPAS) launched by Banca MPS for all Mediobanca ordinary shares, 1,778,728,477 ordinary shares were issued, with no nominal value, with regular dividend rights and the same characteristics as the Banca MPS shares outstanding as at the issue date;

At the reporting date, taking into account the changes that occurred, the Group's share capital amounts to EUR 17,978,187,187, represented by 3,038,418,183 ordinary shares without indication of nominal value.

At the date of these financial statements, the share capital is fully paid in.

13.3 Share capital: other information

There is no further information to report other than that set out in the previous points of this section.

13.4 Retained earnings: other information

The Group reserves recognised in item 150 under liabilities in the Balance sheet totalled EUR 4,063.7 mln and comprise the legal reserve, the extraordinary reserve, the statutory reserve, the reserve established in accordance with Article 6 of Legislative Decree no. 38/2005, consolidation reserves - generated following the elimination of the carrying amount of equity investments against the corresponding portion of the shareholders' equity of each subsidiary and associate - and other reserves; the latter include: i) the reserve under art. 26, paragraph 5-bis, of Italian Decree Law no. 104/2023 converted into Law no. 136/2023 (the so-called locked reserve); ii) the reserve established as a contra-entry to the liability recognised for the extraordinary contribution for the tax redemption of the locked excess, as permitted by the transitional provisions set out in Law 199/2025 (Article 1, paragraphs 69 to 73); and iii) the reserve established following the capital increase carried out in connection with the acquisition of the Mediobanca Group.

Valuation reserves amounting to EUR 58.8 mln include the reserves relating to financial assets measured at fair value through other comprehensive income, cash flow hedging derivatives, changes related to the own creditworthiness of financial liabilities measured at fair value through profit or loss, remeasurements of net liabilities (assets) for defined benefit plans, changes related to exchange differences on the end-of-period endowment funds of foreign branches, as well as reserves arising from special revaluation laws and from the revaluation of property and artistic assets.

It should be noted that during 2025, the following reserves were generated:

- a total reserve amounting to EUR 4,284.4 mln, of which EUR 3,146.6 mln allocated to the Share premium reserve, net of ancillary costs and related tax effects, and EUR 1,137.6 mln to Other reserves, following the capital increase carried out in support of the acquisition of the Mediobanca Group.
- an unavailable reserve against the liability recognised for the tax redemption of the locked reserve, as permitted by the transitional provisions set out in Law 199/2025 (art. 1, paragraphs 69 to 73), amounting to EUR 140.2 mln;

In addition to the aforementioned establishment of reserves, the pre-existing reserves were subject to the following changes during the year, as resolved by the Parent Company's Ordinary Shareholders' Meeting of 17 April 2025:

- increase in the legal reserve through the allocation of a 10% portion of the 2024 profit for the year, amounting to EUR 192.3 mln, aimed at restoring the legal reserve to 1/5 of the share capital, as provided for by article 2430 of the Italian Civil Code and article 31 of the Bank's By-laws;
- increase in the statutory reserve through the allocation of a 15% portion of the 2024 profit for the year, amounting to EUR 288.4 mln, as provided for by art. 31 of the Bank's By-laws;
- allocation to the extraordinary reserve of the remaining profit for 2024, amounting to EUR 338.9 mln;
- adjustment of the unavailable reserve established in accordance with Article 6 of Legislative Decree no. 38/2005 by an amount of EUR 20.0 mln, as resolved by the Ordinary Shareholders' Meeting of 17 April 2025;

Lastly, during the year, equity securities for which the Bank had exercised the option to recognise changes in fair value in the statement of comprehensive income (OCI election) were sold. This resulted in the transfer to profit reserves of changes in fair value previously recognised in valuation reserves, for a positive amount of EUR 6.2 mln.

13.5 Equity instruments: breakdown and annual changes

As at 31 December 2025, as in the financial year used for comparison, the Group held no equity instruments.

13.6 Other information

Reference should be made to Part F - Information on consolidated equity of these Notes to the financial statements for details of the movements in valuation reserves during financial year 2025.

Section 14 - Non-controlling interests - Item 190

14.1 Details of item 190 “Non-controlling interests”

Company name	31 12 2025	31 12 2024
Equity investments in consolidated companies with significant non-controlling interests	2,248,362	-
Other equity investments	113	336
Total	2,248,475	336

14.2 Equity instruments: breakdown and annual changes

No such instruments are present within the Group.

Other information

1 Commitments and financial guarantees given

Nominal Amount	31 12 2025					Total 31 12 2024
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets	Total	
Irrevocable commitments to disburse funds	53,635,060	715,863	333,589	10,221	54,694,733	35,891,966
a) Central banks	-	-	-	-	-	30,000
b) Public entities	8,015,867	-	-	-	8,015,867	976,881
c) Banks	203,400	-	-	-	203,400	1,289,164
d) Other financial companies	10,983,157	43,279	21	-	11,026,457	11,010,543
e) Non-financial companies	29,505,276	399,312	323,961	10,221	30,238,770	20,841,179
f) Families	4,927,360	273,272	9,607	-	5,210,239	1,744,199
Financial guarantees given to	4,667,995	374,887	214,540	1,196	5,258,618	5,141,779
a) Central Banks	60	-	-	-	60	60
b) Public entities	48,061	2,033	-	-	50,094	47,243
c) Banks	437,258	-	-	-	437,258	482,279
d) Other financial companies	310,285	3,398	666	-	314,349	88,585
e) Non-financial companies	3,729,925	360,601	212,733	1,196	4,304,455	4,465,832
f) Families	142,406	8,855	1,141	-	152,402	57,780
Total	58,303,055	1,090,750	548,129	11,417	59,953,351	41,033,745

2 Other commitments and guarantees given

	Nominal value	
	31 12 2025	31 12 2024
Other guarantees given to	71,455	2,908
a) Central Banks	-	-
b) Public entities	-	-
c) Banks	-	749
d) Other financial companies	22,131	2,159
e) Non-financial companies	21,764	-
f) Families	27,560	-
Other commitments	126,698	-
<i>of which: non-performing exposures</i>	-	-
a) Central Banks	-	-
b) Public entities	-	-
c) Banks	22,345	-
d) Other financial companies	38,729	-
e) Non-financial companies	65,624	-
f) Families	-	-
Total	198,153	2,908

3 Assets pledged as collateral for liabilities and commitments

Portfolios	31 12 2025	31 12 2024
1. Financial assets measured at fair value through profit or loss	10,051,085	1,145,240
2. Financial assets measured at fair value through other comprehensive income	2,846,050	1,152,425
3. Financial assets measured at amortised cost	55,038,895	37,950,720
4. Tangible assets	-	-
<i>of which: tangible assets that constitute inventories</i>	-	-
5. Equity investments	236,449	-

The table summarises the assets pledged by the Group as collateral for its liabilities, mainly represented by repurchase agreements. The amount indicated in line “3. Financial assets measured at amortised cost” includes approximately EUR 28.4 bn relating to mortgages transferred to the vehicles MPS Covered Bond S.r.l., MPS Covered Bond 2 S.r.l., and Mediobanca Covered Bond S.r.l. under the two covered bonds issuance programmes (covered bonds) and approximately EUR 12.1 bn relating to mortgages pledged as collateral with the Eurosystem (ABACO). In item 5. Equity investments, disclosure is provided of a securities lending transaction involving an equity instrument.

4 Investments in unit-linked and index-linked policies: breakdown

The Group does not hold any such investments since no company of the Group issues unit-linked or index-linked insurance policies.

5 Asset management and trading on behalf of third parties

	Amount 31 12 2025
1. Trading of financial instruments on behalf of third parties	
a) Purchases	45,344,611
1. Settled	45,246,370
2. Unsettled	98,241
b) Sales	37,577,784
1. Settled	37,479,543
2. Unsettled	98,241
2. Asset management accounts	-
a) individual	14,149,432
b) collective	25,862,484
3. Custody and administration of securities	-
a) third party securities on deposit associated with custodian bank transactions (excluding asset management)	8,506,087
1. Securities issued by companies included in consolidation	90,738
2. Other securities	8,415,349
b) Other third party securities on deposit (excluding asset management)	101,061,709
1. Securities issued by companies included in consolidation	84,215
2. Other securities	100,977,494
c) third party securities deposited with third parties	110,447,172
d) own securities deposited with third parties	37,752,391
4. Other transactions	46,299,373

6 Financial assets subject to offsetting, enforceable offsetting framework arrangements and similar agreements

Type	Gross amount of financial assets (a)	Amount of financial liabilities offset in balance sheet (b)	Net amount of financial assets recognised in the balance sheet (c=a-b)	Related amounts not subject to balance sheet offsetting		Net amount (f=c-d-e) 31 12 2025	Net amount 31 12 2024
				Financial instruments (d)	Deposits of cash collateral received (e)		
1. Derivatives	9,493,144	5,848,735	3,644,409	1,032,953	83,585	2,527,871	1,724,107
2. Repurchase agreements	14,867,987	-	14,867,987	14,812,661	29,641	25,685	56,872
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
Total 31 12 2025	24,361,131	5,848,735	18,512,396	15,845,614	113,226	2,553,556	X
Total 31 12 2024	16,144,852	5,939,912	10,204,940	8,423,961	-	X	1,780,979

7 Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements.

Type	Gross amount of financial liabilities (a)	Amount of financial assets offset in balance sheet (b)	Net amount of financial liabilities recognised in the balance sheet (c=a-b)	Related amounts not subject to balance sheet offsetting		Net amount (f=c-d-e) 31 12 2025	Net amount 31 12 2024
				Financial instruments (d)	Deposits of cash collateral received (e)		
1. Derivatives	8,979,703	5,848,735	3,130,968	1,587,559	1,398,070	145,339	276,528
2. Repurchase agreements	18,574,592	-	18,574,592	18,571,828	972	1,792	0
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
Total 31 12 2025	27,554,295	5,848,735	21,705,560	20,159,387	1,399,042	147,131	X
Total 31 12 2024	14,623,923	5,939,912	8,684,011	8,052,314	355,169	X	276,528

The two tables above provide the disclosure required by IFRS 7 concerning financial instruments which:

- were offset in the balance sheet pursuant to IAS 32;
- could potentially be offset, given certain conditions, but presented in the balance sheet as open balances as they are governed by “framework offsetting agreements or similar agreements” which do not meet the criteria established in IAS 32 for offsetting.

The amount of EUR 5,849 mln offset in the financial statements, corresponding to the columns “Amount of financial liabilities offset in the financial statements (b)” and “Amount of financial assets offset in the financial statements (b)”, refers to OTC derivatives operations of the Parent Company entered into, through “indirect” access, with central counterparties. These derivatives are shown as a decrease in the following balance sheet items:

- 20. Financial assets measured at fair value through profit and loss a) Financial assets held for trading – set off by EUR 5,709 mln;
- 50. Hedging derivatives fair value positive – set off by EUR 140 mln;
- 20. Financial liabilities held for trading – set off by EUR 5,708 mln;
- 40. Hedging derivatives with a negative fair value – offset by EUR 141 mln.

For the purposes of reconciliation of the amounts shown in the column (c) “net amount of financial assets/liabilities recognised in the balance sheet” with the opening balances shown in “Part B – Information on the balance sheet”, it should be noted that:

- the amount relating to derivative financial instruments, both trading and hedging, supported by netting agreements or similar, is represented, where measured, in asset items 20 a) "financial assets held for trading" and 50 "hedging derivatives" and in liability items 20 "financial liabilities held for trading" and 40 "hedging derivatives";
- the amount related to repurchase agreements subject to netting agreements or similar is shown in line "Repurchase agreements/Reverse repurchase agreements" in the tables containing a breakdown of asset item 40 "Financial assets measured at amortised cost" and liability item 10 "Financial liabilities measured at amortised cost".

The Bank discloses the following instruments that can potentially be set off upon certain events occurring, presented in the "Related amounts not subject to offsetting" columns:

- with regard to derivatives: "ISDA Master Agreement" and netting agreements with clearing houses;
- with regard to repurchase agreements and reverse repurchase agreements: framework contract "Global Master Repurchase Agreements (GMRA)" and netting agreements with the "Cassa di Compensazione e Garanzia (CC&G)";
- with respect to securities lending transactions: "Global Master Securities Lending Agreements (GMSLA)".

The effects of potentially setting off:

- the book value of financial assets and liabilities are stated in column (d) "Financial instruments", alongside the fair value of financial collateral represented by securities;
- the exposure, alongside cash collateral, is shown in column (e) "Cash deposits received/given as collateral".

It should also be noted that:

- the standard also requires the effects of the financial collateral (including cash collateral) received and given to be taken into account;
- with regard to securities lending transactions, in these tables transactions involving the payment of cash collateral fully owned by the lender are included in the item "Repurchase agreements";
- the repurchase agreements are recognised in the tables at amortised cost, while the financial collateral and derivative transactions are reported at their fair value.

Based on the compilation methods represented, netting agreements between financial instruments and related financial collateral allow for a significant reduction in credit/debt exposure to the counterparty, as indicated in column (f) "Net amount".

8 Securities lending transactions

The following tables provide details of Mediobanca's securities lending transactions (asset and liability side), broken down by type of securities (government bonds, bank securities, others), market counterparties (banks, financial intermediaries and customers) and the related technical form (cash-collateralised, collateralised by other securities or uncollateralised lending).

It should be noted that securities lending transactions involving the posting of cash collateral, which is fully available to the lender, are recognised in the balance sheet under amounts due from/to banks or customers, under the technical form of "repurchase agreements". Securities lending transactions collateralised by other securities or uncollateralised are shown among off-balance-sheet exposures.

Type of securities lending transaction	Type of security		
	Government securities	bank securities	Other securities
1. Cash-collateralized securities lending received from:	-	12,140	121,352
a) Banks	-	7,749	111,038
b) Financial institutions	-	4,391	10,314
c) Customers			
2. Cash-collateralized securities lending provided to:	(272,568)	(520,429)	(2,363,132)
a) Banks	(272,568)	(520,429)	(2,363,132)
b) Financial institutions			
c) Customers			
Total securities lending (book value)	(272,568)	(508,289)	(2,241,780)

Type of securities lending transaction	Type of security		
	Government securities	bank securities	Other securities
1. Cash-collateralized securities lending received from:	374,116	594,226	8,179
a) Banks	153,585	593,374	7,963
b) Financial institutions	70,871	852	182
c) Customers	149,660	-	34
2. Cash-collateralized securities lending provided to:	(1,222,183)	(1,568,084)	(683,325)
a) Banks	(830,828)	(1,568,084)	(492,798)
b) Financial institutions	(391,355)	-	(190,527)
c) Customers			
Total securities lending (fair value)	(848,067)	(973,858)	(675,146)

9 Information on joint control activities

At the reporting date, as in the previous financial year, there were no jointly controlled arrangements qualifying as "joint operations" within the meaning of IFRS 11, according to which the parties with joint control have rights to the assets and obligations to the liabilities of the arrangement.

Part C – Information on the consolidated income statement

Section 1 - Interest income/expense - Items 10 and 20

1.1 Interest income and similar revenues: breakdown

Item/Type	Debt securities	Loans	Other transactions	Total 31 12 2025	Total 31 12 2024
1. Financial asset measured at fair value through profit and loss	139,343	9,700	1,370	150,413	70,836
1.1 Financial asset held for trading	121,299	426	1,370	123,095	58,651
1.2 Financial assets designated at fair value	10,327	5,157	-	15,484	-
1.3 Financial assets mandatorily measured at fair value	7,717	4,117	-	11,834	12,185
2. Financial asset measured at fair value through other comprehensive income	74,613	-	X	74,613	42,085
3. Financial assets measured at amortised cost	357,126	3,581,781	X	3,938,907	3,802,855
3.1. Loans to banks	28,373	71,285	X	99,658	111,312
3.2 Loans to customers	328,753	3,510,496	X	3,839,249	3,691,543
4. Hedging derivatives	X	X	37,356	37,356	113,785
5. Other assets	X	X	428,151	428,151	648,385
6. Financial liabilities	X	X	X	7	3
Total	571,082	3,591,481	466,877	4,629,447	4,677,949
<i>of which interest income on credit impaired assets</i>	376	101,915	-	102,291	102,139
<i>of which interest income on financial leasing</i>	X	104,868	X	104,868	198,153

Line 4 “Hedging derivatives”, in the “Other transactions” column, includes the spread related to hedging derivatives rectifying the interest income recognised on the hedged financial instruments under assets.

In line 5 “Other assets”, column “Other transactions”, the interest accrued on sight deposits and current accounts with central banks classified under the item “Cash and cash equivalents” is reported, amounting to EUR 319.1 mln (EUR 488.7 mln at 31 December 2024). The same item also includes, for EUR 104.6 mln (EUR 109.0 mln as at 31 December 2024), interest income accrued on tax credits.

Interest income, calculated for financial assets measured at amortised cost under the effective interest rate method, is entered in different columns based on the original ‘technical form’. The amount accrued during the year on positions classified as “non-performing” at the reporting date is EUR 102.3 mln in total (EUR 102.1 mln as at 31 December 2024).

Interest on arrears is posted to net interest income only for the portion actually collected.

For a trend analysis of the concerned items, reference should be made to the Consolidated Report on Operations.

1.2 Interest income and similar revenues: other information

1.2.1 Interest income from financial assets denominated in foreign currency

Interest income from financial assets denominated in foreign currency for 2025 amounted to EUR 91.3 mln as compared to EUR 43.8 mln in 2024.

1.3 Interest expense and similar charges: breakdown

Items	Deposits	Securities	Other transactions	Total 31 12 2025	Total 31 12 2024
1. Financial liabilities measured at amortised cost	(1,367,236)	(656,744)	-	(2,023,980)	(2,247,936)
1.1 Due to central banks	(188,843)	X	X	(188,843)	(370,709)
1.2 Due to banks	(150,541)	X	X	(150,541)	(48,495)
1.3 Due to customers	(1,027,852)	X	X	(1,027,852)	(1,355,963)
1.4 Debt securities issued	X	(656,744)	X	(656,744)	(472,769)
2. Financial liabilities held for trading	-	-	-	-	-
3. Financial liabilities designated at fair value	(1,334)	(11,701)	3	(13,032)	(4,736)
4. Other liabilities	X	X	(131)	(131)	(127)
5. Hedging derivatives	X	X	(46,637)	(46,637)	(104,081)
6. Financial assets	X	X	X	(355)	(319)
Total	(1,368,570)	(668,445)	(46,765)	(2,084,135)	(2,357,199)
<i>of which interest expense on leasing liabilities</i>	<i>(7,047)</i>	<i>X</i>	<i>X</i>	<i>(7,047)</i>	<i>(4,906)</i>

Line 1.1 “Due to Central banks” includes interest relating to refinancing operations with the ECB entered into by the Group amounting to EUR 188.8 mln, down from EUR 370.7 mln as at 31 December 2024, mainly as a result of the new MRO and LTRO auctions in which the Group participated during 2025.

Lines 1.2, “Due to banks” and 1.3, “Due to Customers”, in the “Deposits” column, include interest on payables under repurchase agreements on: treasury securities recognised in the balance sheet or securities not recognised in the balance sheet obtained through repo transactions or from self-securitisations without derecognition.

The reduction in interest paid to customers recorded under line 1.3 “Due to Customers” is attributable to the ECB’s reduction in interest rates.

Line “1.4 Debt securities issued” indicates the interest expense accrued during the financial year on bonds and certificates of deposit valued at amortised cost.

Line 5 “Hedging derivatives”, in the “Other transactions” column, includes the spreads for hedging derivatives providing a correction for the interest expense recognised on hedged fixed-rate commercial funding and bonds.

Line 6. “Financial assets” highlights the negative interest accrued on financial assets.

For a trend analysis of the concerned items, reference should be made to the Consolidated Report on Operations.

1.4 Interest expense and similar charges: other information

1.4.1 Interest expense on liabilities denominated in foreign currency

Interest expense on financial liabilities denominated in foreign currency for 2025 amounted to EUR 36.6 mln, as compared to EUR 13.6 mln in 2024.

1.5 Spreads on hedging transactions

Items	Total 31 12 2025	Total 31 12 2024
A. Positive spreads on hedging transactions	358,530	122,227
B. Negative spreads on hedging transactions	(367,811)	(112,523)
C. Balance (A+B)	(9,281)	9,704

Section 2 - Fee and commission income/expense - Items 40 and 50

2.1 Fee and commission income: breakdown

Type of service/Amount	Totale 31 12 2025	Totale 31 12 2024
a) Financial instruments	223,062	127,892
1. Placement of securities	90,499	32,831
1.1 Underwriting on the basis of an irrevocable commitment	18,081	16,852
1.2 without irrevocable commitment	72,418	15,979
2. Reception and transmission of orders	36,233	25,611
2.1 Reception and transmission of orders of financial instruments	35,195	24,639
2.2 Execution of orders on behalf of customers	1,038	972
3. Other commission income related to activities linked to financial instruments	96,330	69,450
of which: proprietary trading	22,784	14,744
of which: individual portfolio management	73,547	54,706
b) Corporate Finance	56,514	8,208
1. M&A fees	49,356	-
2. Treasury services	7,158	8,208
3. Other fees and commission income related to Corporate finance activities	-	-
c) Investment advisory activities	14,620	8,027
d) Clearing and settlement	137	147
e) Collective portfolio management	54,238	-
f) Custody and administration of securities	11,840	5,770
1. Custodian bank	-	-
2. Other fees and commission income related to Custody and administration activities	11,840	5,770
g) Central administrative services for collective portfolio management	-	-
h) Trustee business	3,721	2,148
i) Payment services	526,786	510,746
1. Current account	215,255	216,356
2. Credit cards	71,826	66,157
3. Debit cards and other card payments	94,409	80,326
4. Transfers and other payment orders	82,180	86,742
5. Other fees and commission income related to payment services	63,116	61,165
j) Distribution of third-party services	792,589	678,941
1. Collective portfolio management	494,216	420,121
2. Insurance products	237,231	208,272
3. Other products	61,142	50,548
of which: individual portfolio management	5,751	-
k) Structured finance	-	-
l) Securitisation servicing activities	271	44
m) Loans commitments given	192,139	173,071
n) Financial guarantees	56,878	57,872
of which: credit derivatives	-	-
o) Lending transactions	107,740	72,642
of which: factoring services	31,804	16,604
p) Currency trading	4,865	3,703
q) Commodities	-	-
r) Other fees and commission income	44,857	39,257
of which: management of shari'ah multilateral trading facilities	-	-
of which: management of organized trading systems	-	-
Total	2,090,257	1,688,468

Line b).1 "Merger and acquisition advisory" relates entirely to the advisory services for merger and M&A transactions carried out by the Mediobanca Group on behalf of its customers.

Line q) "Other fee and commission income" includes EUR 8.6 mln relating to leasing operations, EUR 7.3 mln attributable to tax credit assessment activities and linked to the recovery of expenses incurred by the Parent Company in finalising the transactions, EUR 5.2 mln relating to debt recovery activities carried out by the subsidiary Mediobanca Credit

Solutions and, lastly, EUR 3.4 mln of agency fees for the role performed by the Parent Company as lead arranger/agent in syndicated loans.

For an analysis of the fee and commission income and for the disclosure on disaggregation of revenues, as required by IFRS 15.114-115, the table below shows the trend in fees and commissions for each of the operating segments identified, by type of asset.

SEGMENT REPORTING	Operating Segments					Corporate Center	Total Montepaschi Group without Mediobanca Group	Mediobanca Group	Total Montepaschi Group
	Retail banking	Wealth Management	Corporate banking	Large Corp. & Investment Banking					
	31/12/25	31/12/25	31/12/25	31/12/25					
Assets under management fee	453,171	12,755	391,077	73,572	11,956	942,530	47,832	990,362	
Fee and commissions from traditional activities	712,592	118,937	30,236	10,123	914	872,802	227,093	1,099,895	
Net fees and commission income	1,165,763	131,691	421,313	83,696	12,870	1,815,332	274,925	2,090,257	

For further details, please refer to the information in PART L “Segment reporting” of these Notes to the Consolidated Financial Statements.

Of the Group's Fee and commission income, net of the Mediobanca Group, referring to the Commercial segments, 51.9% derived from fees and commissions related to commercial banking and 48.1% from fees and commissions related to management/brokerage and advisory activities. More specifically, 38.9% of the fee and commission income from Retail banking is attributable to commercial banking and 61.1% to management, brokerage and advisory activities. Wealth Management's fee and commission income is mainly attributable to management, brokerage and advisory activities (90.3%) and to a lesser extent to commercial banking activities (9.7%). Commission income from Corporate Banking originated mainly from commercial banking activities (92.8%) and from management, brokerage and advisory activities (7.2%), as did commission income from Large Corporate & Investment banking, which was mainly concentrated on the commercial banking component (87.9%) compared to the management, brokerage and advisory activities component (12.1%).

The disclosure for performance obligations is provided for the main services offered by Group companies, in accordance with IFRS 15.113, 119:

- collection and payment services, including the offer to customers of credit and debit cards issued by the Group banks. For these services, the customer pays an annual fee in advance for the administrative management of the card, recognised over time, as well as fees calculated on the individual transactions linked to the card's configuration, which, if not included in the annual fee, are recognised at a point in time as linked to the individual performance obligation carried out at a specific time; collection and payment services also include all foreign currency trading services, as well as other generic collection services that entail the collection of fees against the performance obligation made at consumption and recognised at a point in time;
- administration of current accounts. Within this context, the fees received for various products offered to customers may include a periodic fee for the current account management service (that may or may not include a package of services), as well as fees received on individual transactions performed by customers that are not included in the annual fee. The first type of fee refers to a performance obligation fulfilled over time, while the second refers to services performed at a specific time and compensated separately from the fee (which may be either monthly, quarterly, or annual), and which are structured as a performance obligation fulfilled at a point in time;
- distribution of third-party products and services based on partnership agreements with external counterparties, for which placement commissions are collected, recorded at a point in time as they are compensation for the intermediation performance obligation provided by the Group, and continuing commissions connected to the administrative management of the customer in the network, recorded over time, as they represent compensation for the performance obligation rendered over the course of the investment's duration. Some distribution agreements also include variable commissions, recognised by external counterparties upon achieving certain placement volumes or other annual metrics envisaged in the distribution agreements. Based on the various contractual provisions and in accordance with provisions contained in IFRS 15, if conditions apply in the interim periods,

analyses are carried out in order to determine if there are conditions that allow the advance accounting of the revenue or a portion thereof. The advance recognition is carried out exclusively if it is highly likely that, once the uncertainty has been resolved, there is no downward adjustment of the recorded amount. Lastly, some contracts contain claw-back clauses, which entail, in the event certain conditions apply, the full or partial reimbursement of placement commissions previously recognised upon execution of the initial performance obligation (i.e. point in time): in this case, the claw-back clause represents a variable component of the transaction price, since the amount recognised upon product placement is not definitive, but will depend on future events that are beyond the control of the placement bank. In such situations the amount of the commissions that could potentially be subject to restitution is estimated, charging the amount that is expected to be returned to the third party to a specific risk provision; the income that is posted to the income statement is equal to the amount recognised against the performance obligation for the placement activity carried out during the financial year, net of the amount set aside in the provision;

- individual portfolio management, in the context of assets linked to financial instruments, which mainly include management fees and performance commissions, calculated with a percentage proportional to the assets under management, recognised over time as a remuneration of a service rendered over time;
- complex financial services including consultancy, advisory/asseveration/underwriting and order collection. The contracts may provide for various types of fees and commissions associated with the various services offered. Some of these are linked to activities performed throughout the contract's duration (over time) and paid by the customer regardless of the outcome of the activities, while others are services for which the customer pays only if certain identified events occur, therefore, they are connected to services provided at a specific point in time. The first type of fee, associated with a performance obligation over time, is recognised throughout the contract's duration, while the second is recorded when the event occurs, as it represents compensation for a performance obligation carried out at a point in time;
- fiduciary services to customers via subsidiary MP Fiduciaria, Spafid and Spafid Trust including the confidential administration of money, financial instruments and unlisted equity investments, fiduciary mandates for guarantee purposes, family portfolio settlements and the intergenerational transfer of wealth. Since they are linked to performance obligations that are protracted and repeated over time, the fees for fiduciary services are measured over time for continuing commissions. Instead, commissions for opening the relationship are recognised at a point in time.
- With regard to the composition of revenues (IFRS 15.116-118), it should be noted that EUR 1.8 mln has been recognised as a component of adjustment price accrued during the year on commissions collected for the placement of third-party services by the Bank in the previous year.

This line includes the reversal of revenues for EUR 11.5 mln made in the financial year against a provision for risks in accordance with IFRS 15, in consideration of the claw-back clauses present in contracts for the placement of third-party products.

2.1.a Fee and commission income: distribution channels of products and services

Channel/Sectors	31 12 2025	31 12 2024
a) Group branches	770,224	649,034
1. portfolio management	67,771	49,413
2. placement of securities	25,762	6,595
3. third party services and products	676,691	593,026
b) "Door-to-door" sales	114,641	72,523
1. portfolio management	6,530	5,290
2. placement of securities	35,777	386
3. third party services and products	72,334	66,847
c) Other distribution channels	126,008	44,922
1. portfolio management	53,484	3
2. placement of securities	28,960	25,851
3. third party services and products	43,564	19,068

2.2 Fee and commission expense: breakdown

Type of service/Amount	Total 31 12 2025	Total 31 12 2024
a) Financial instruments	(6,870)	(5,042)
<i>of which: trading in financial instruments</i>	(5,432)	(4,422)
<i>of which: placement of financial instruments</i>	(646)	-
<i>of which: individual portfolio management</i>	(793)	(619)
- own portfolio	(18)	-
- third-party portfolio	(775)	(619)
b) Clearing and settlement	(4,174)	(4,483)
c) Collective portfolio management	(7,704)	-
- own portfolio	-	-
- third-party portfolio	(7,704)	-
d) Custody and administration	(6,623)	(4,296)
e) Collection and payment services	(107,910)	(89,169)
<i>of which: credit card, debit card and other payments cards</i>	(86,838)	(72,828)
f) Securitisation servicing activities	-	-
g) Loans commitment	-	-
h) Financial guarantees received	(21,829)	(26,710)
<i>of which: credit derivatives</i>	-	-
i) Door-to-door sales of financial instruments, products and services	(75,245)	(63,996)
l) Currency trading	-	-
m) Other commission expenses	(83,619)	(39,735)
Total	(313,974)	(233,431)

Line a) "Financial instruments of which: individual asset management - delegated to third parties" includes commissions payable on the collection of securities orders.

Line b) "Clearing and settlement" includes commissions payable for the derivative clearing service.

Line e) "Collection and payment services" includes the commissions from the outsourcing of administrative servicing related to card management.

Line g) "Financial guarantees received" includes commissions of EUR 12.5 mln (17.0 mln as at 31 December 2024) related to the purchase of protection against credit risk as part of the outstanding synthetic securitisations.

Line i) "Off-site marketing of financial instruments, products and services" includes fees and commissions paid to financial advisors of the Group.

Line k) "Other fee and commission expense" includes EUR 26.4 mln relating to commissions paid to Mediobanca Premier financial advisors regarded as an "internal network", as they operate under an exclusive mandate for MB Premier, and EUR 6.2 mln relating to the Parent Company's leasing operations, of which EUR 2.4 mln for commissions and contributions for agents' intermediation activity.

For a trend analysis of the concerned items, reference should be made to the Consolidated Report on Operations.

Section 3 - Dividends and similar income - Item 70

3.1 Dividends and similar income: breakdown

Item/Income	31 12 2025			31 12 2024		
	Dividends	Similar Income	Total	Dividends	Similar Income	Total
A. Financial assets held for trading	15,530	281	15,811	4,068	1,056	5,124
B. Other financial assets mandatorily measured at fair value	4,208	10,149	14,357	-	8,485	8,485
C. Financial assets measured at fair value through other comprehensive income	8,067	24	8,091	9,114	-	9,114
D. Investments	-	-	-	-	-	-
Total	27,805	10,454	38,259	13,182	9,541	22,723

The table shows the amount of dividends received on shares traded within the trading book and non-controlling interest classified in the portfolio of “Financial assets measured at fair value through other comprehensive income”. Conversely, dividends relating to the Group’s subsidiaries and associates, consolidated line-by-line or under the equity method, are excluded.

The line “B Financial assets mandatorily measured at fair value” mainly refers to income distributed by private equity funds.

The line “C. financial assets measured at fair value through other comprehensive income” includes the dividend of EUR 7.1 mln (EUR 8.5 mln as at 31 December 2024) collected from the equity investment in Banca d’Italia.

Section 4 - Net profit (loss) from trading - Item 80

4.1 Net profit (loss) from trading: breakdown

Transactions / P&L items	Capital gains	Trading Profits	Capital losses	Trading Losses	Net Profit (Loss)	
					31 12 2025	31 12 2024
1. Financial assets held for trading	290,350	286,605	(79,004)	(180,673)	317,278	76,907
1.1 Debt securities	16,955	64,894	(31,827)	(75,067)	(25,045)	53,217
1.2 Equity instruments	271,079	219,571	(46,845)	(104,266)	339,539	19,875
1.3 Units of UCITS	2,316	2,091	(332)	(1,340)	2,735	3,803
1.4 Loans	-	-	-	-	-	-
1.5 Other	-	49	-	-	49	12
2. Financial liabilities held for trading	4,196	21,973	(3,763)	(19,962)	2,444	(318)
2.1 Debt securities	4,182	21,900	(908)	(19,494)	5,680	(573)
2.2 Deposits	-	-	-	-	-	-
2.3 Other	14	73	(2,855)	(468)	(3,236)	255
3. Other financial assets and liabilities: exchange differences	X	X	X	X	57,731	10,024
4. Derivatives	4,893,292	8,286,380	(5,240,348)	(8,219,631)	(294,079)	41,264
4.1 Financial derivatives:	4,548,249	7,738,565	(4,668,527)	(7,928,501)	(323,986)	3,099
- on debt securities and interest rates	4,303,331	7,166,730	(4,042,734)	(7,317,249)	110,078	(31,817)
- on equity instruments and stock indices	229,429	511,007	(461,406)	(507,276)	(228,246)	100,274
- on currency and gold	X	X	X	X	(13,772)	28,335
- other	15,489	60,828	(164,387)	(103,976)	(192,046)	(93,693)
4.2 Credit derivatives	345,043	547,815	(571,821)	(291,130)	29,907	38,165
<i>of which natural hedging connected with the fair value option</i>	X	X	X	X	-	-
Total	5,187,838	8,594,958	(5,323,115)	(8,420,266)	83,374	127,877

It should be noted that, based on the provisions set in the Bank of Italy Circular no. 262, the specification “of which: natural hedges related to the fair value option” refers to a particular type of hedge under IFRS 9. In this regard, it should be noted that there are no amounts to be valued, as the Group opted to continue to use the hedge accounting regime under IAS 39.

During the financial year, the Credit Value Adjustment (CVA) decreased, generating a positive impact of EUR 0.7 mln on OTC derivatives; likewise, the Debit Value Adjustment (DVA) on OTC Derivatives recorded a decrease with a consequent negative impact of EUR 2.2 mln.

Section 5 - Net profit (loss) from hedging - Item 90

5.1 Net profit (loss) from hedging: breakdown

P&L items/Values	Total 31 12 2025	Total 31 12 2024
A. Gains on:		
A.1 Fair value hedging instruments	2,541,583	129,237
A.2 Hedged financial assets (fair value)	106,563	195,093
A.3 Hedged financial liabilities (fair value)	219,036	940
A.4 Cash-flow hedging derivatives	-	-
A.5 Assets and liabilities denominated in foreign currency	-	-
Total gains on hedging activities (A)	2,867,182	325,270
B. Losses on:		
B.1 Fair value hedging instruments	1,673,071	196,319
B.2 Hedged financial assets (fair value)	305,960	25,639
B.3 Hedged financial liabilities (fair value)	879,838	104,353
B.4 Cash-flow hedging derivatives	-	-
B.5 Assets and liabilities denominated in foreign currency	-	-
Total losses on hedging activities (B)	2,858,869	326,311
C. Net profit (loss) from hedging activities (A - B)	8,313	(1,041)
<i>of which: hedging result on Net position</i>	-	-

For information on hedging derivatives, the gains and losses on which are indicated in lines A.1 and A.4, B.1 and B.4 of this table, see Section 5 “Hedging derivatives – Item 50” of the assets and Section 4 “Hedging derivatives – Item 40” of the liabilities in Part B of these Notes to the financial statements.

More information on hedged assets and liabilities can be found in the tables in Part B of the Notes to the Financial Statements for each section of the accounts to which hedges are posted.

Section 6 - Gains/(losses) on disposal/repurchase - Item 100

6.1 Gains (losses) on disposal/repurchase: breakdown

Items / P&L items	Total 31 12 2025			Total 31 12 2024		
	Gains	Losses	Net Profit (Loss)	Gains	Losses	Net Profit (Loss)
Financial assets						
1. Financial assets measured at amortised cost	91,759	(3,182)	88,577	5,823	(13,500)	(7,677)
1.1 Loans to banks	3,596	-	3,596	-	-	-
1.2 Loans to customers	88,163	(3,182)	84,981	5,823	(13,500)	(7,677)
2.. Financial assets measured at fair value through other comprehensive income	22,862	(18,247)	4,615	1,568	(1,838)	(270)
2.1 Debt securities issued	22,862	(18,247)	4,615	1,568	(1,838)	(270)
2.2 Loans	-	-	-	-	-	-
Total assets (A)	114,621	(21,429)	93,192	7,391	(15,338)	(7,947)
Financial liabilities measured at amortised cost	-	-	-	-	-	-
1. Due to banks	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-
3. Debt securities issued	860	(514)	346	1	(626)	(625)
Total liabilities (B)	860	(514)	346	1	(626)	(625)

The “Net result” column for the item “Financial assets measured at amortised cost” in line 1.2 “Loans to customers” mainly includes the net gain on the sale of certain government bonds.

Section 7 - Net profit (loss) from other financial assets and liabilities measured at fair value through profit or loss - Item 110

7.1 Net changes in other financial assets and liabilities measured at fair value through profit or loss: breakdown of financial assets and liabilities measured at fair value

Transaction/P&L items	Capital Gains	Realized Profits	Capital losses	Realized losses	Net Profit (loss)	
					31 12 2025	31 12 2024
1. Financial assets	829	2,961	(1,973)	(803)	1,014	-
1.1 Debt securities issued	-	2,961	(1,973)	(803)	185	-
1.2 Equity instruments	829	-	-	-	829	-
2. Financial liabilities	21,783	513	(41,840)	(58,101)	(77,645)	1,521
2.1 Debt securities issued	21,783	513	(39,456)	(58,101)	(75,261)	1,521
2.2. Due to banks	-	-	-	-	-	-
2.3. Due to customers	-	-	(2,384)	-	(2,384)	-
3. Financial assets and liabilities in foreign currency: exchange differences	X	X	X	X	(506)	-
Total	22,612	3,474	(43,813)	(58,904)	(77,137)	1,521

This item includes exclusively profits, losses, capital gains and capital losses relating to the securities on the asset and liability sides included in the fair value option. The balances of the economic valuations of derivatives through which said securities are subject to natural hedging are instead recognised under item 80 “Net profit (loss) from trading”.

This item also includes gains or losses linked to the effect of changes in own credit standing relating to liabilities for which the Group adopts the exemption provided for by IFRS 9 on the accounting treatment of own credit standing, in order to eliminate any accounting mismatch with the related security recognised on the asset side.

7.2 Net changes in other financial assets and liabilities measured at fair value through profit or loss: breakdown of other financial assets mandatorily measured at fair value

Transaction/P&L items	Capital gains	Realized profits	Capital losses	Realized losses	Net Profit (loss)	
					31 12 2025	31 12 2024
1. Financial assets						
1.1 Debt securities issued	244	488	(18,894)	-	(18,162)	(12,826)
1.2 Equity instruments	152	3,699	(2,949)	-	902	63
1.3 Units of UCITS	12,803	465	(24,401)	-	(11,133)	2,648
1.4 Loans	651	-	(1,180)	-	(529)	(1,253)
2. Other financial assets: exchange differences	X	X	X	X	(298)	18
Totale	13,850	4,652	(47,424)	-	(29,220)	(11,350)

The net result, in the line “1.1 Financial assets – Debt securities”, includes the capital loss from the mezzanine tranche of the Siena NPL securitisation for a total of EUR 15.1 mln.

The net result, in line “1.3 Financial assets – UCITS units”, mainly refers to the impairment of NPE credit funds and real estate funds, only partly offset by the revaluation recognised on private equity funds.

Line 1.4 “Financial Assets – Loans” includes in the column “Capital Gains” the write-backs relating to loans for which there has been an improvement in the risk profile; in the column “Capital Losses” the write-downs of mainly non-performing loans are reported.

Section 8 - Net impairment losses/reversals on credit risk - Item 130

8.1 Net impairment (losses)/reversal for credit risk on financial assets measured at amortised cost: breakdown

Transaction/P&L items	Net impairment (losses)						Reversals				Total 31 12 2025	Total 31 12 2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit impaired financial assets		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets		
			Write-off	Others	Write-off	Others						
A. Loans to banks	(380)	-	-	(2,906)	-	-	652	-	4	-	(2,630)	(6,014)
- Loans	(339)	-	-	(2,906)	-	-	565	-	4	-	(2,676)	(6,012)
- Debt securities	(41)	-	-	-	-	-	87	-	-	-	46	(2)
B. Loans to customers	(343,829)	(403,706)	(5,392)	(644,890)	(58)	(11,672)	122,799	197,230	268,124	6,287	(815,107)	(400,206)
- Loans	(341,479)	(403,706)	(5,392)	(635,967)	(58)	(11,672)	121,576	185,814	268,124	6,287	(816,473)	(400,314)
- Debt securities	(2,350)	-	-	(8,923)	-	-	1,223	11,416	-	-	1,366	108
C. Total	(344,209)	(403,706)	(5,392)	(647,796)	(58)	(11,672)	123,451	197,230	268,128	6,287	(817,737)	(406,220)

8.2 Net impairment (losses)/reversals for credit risk on financial assets measured at fair value through other comprehensive income: breakdown

Transactions/ P&L items	Net impairment (losses)						Reversals				Total 31 12 2025	Total 31 12 2025
	Stage 1	Stage 2	Stage 3		Purchased or originated credit impaired financial assets		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired fiancial assets		
			Write-off	Others	Write-off	Others						
A. Debt securities issued	(514)	-	-	(2,687)	-	-	250	1,331	-	-	(1,620)	(663)
B. Loans	-	-	-	-	-	-	-	-	-	-	-	-
- to banks	-	-	-	-	-	-	-	-	-	-	-	-
- to customers	-	-	-	-	-	-	-	-	-	-	-	-
Total	(514)	-	-	(2,687)	-	-	250	1,331	-	-	(1,620)	(663)

Section 9 - Gains/losses from contractual changes without cancellation - Item 140

9.1 Modification gains/(losses): breakdown

This item, negative for EUR 4.6 mln as at 31 December 2025 (negative for EUR 9.9 mln as at 31 December 2024) includes the impacts related to contractual changes on medium/long term loans to customers which, without any substantial change, according to the provisions of IFRS 9, as well as the Group's accounting regulations, do not entail accounting derecognition of the assets but rather the recognition to profit and loss of the changes made to the contractual cash flows.

Section 10 - Result of insurance services - Item 160

This item comprises revenue relating to insurance policies issued, representing the consideration received for services provided during the period.

The item relating to insurance costs arising from insurance contracts issued includes expenses associated with insurance contracts issued. Specifically, this item comprises claims incurred during the financial year (excluding investment components) and other directly attributable expenses, the change in the liability for claims incurred, and losses on unprofitable groups of insurance contracts.

The following table sets out the breakdown of insurance revenue and costs arising from insurance policies issued, as well as the breakdown of costs for insurance services directly and indirectly attributable to insurance policies.

10.1 Insurance revenues and expenses deriving from insurance contracts issued – Breakdown

Items/Aggregation level	Total 31 12 2025
A.1 Amounts related to changes in residual coverage	-
1. Claims incurred and other expected insurance service costs	-
2. Change in the adjustment for non-financial risks	-
3. Gains on contractual services recorded through profit or loss for services provided	-
4. Other amounts	-
A.2 Acquisition costs of recovered insurance contracts	-
A.3 Total insurance revenues from insurance contracts issued measured according to GMM and VFA (A.1 + A.2)	-
A.4 Total insurance revenues from insurance contracts issued measured according to PAA	6,924
- Life segment	-
- NON-Life / motor segment	-
- NON-Life / NON-motor segmen	6,924
A.5 Total insurance revenues from insurance contracts issued (A.3 + A.4)	6,924
B. Costs for insurance services from insurance contracts issued – GMM or VFA	
1. Claims incurred and other directly attributable costs	-
2. Changes in liabilities for claims incurred	-
3. Losses on contracts for consideration and recovery of such losses	-
4. Amortization of insurance contract acquisition costs	-
5. Other amounts	-
B.6 Total costs for insurance services from insurance contracts issued – GMM or VFA	-
B.7 Total costs for insurance services from insurance contracts issued measured according to PAA	(2,118)
- Life segment	-
- NON-Life / motor segment	-
- NON-Life / NON-motor segmen	(2,118)
B.8 Total costs for insurance services arising from insurance contracts issued (B.6 + B.7)	(2,118)
C. Total net costs/revenues from insurance contracts issued (+/-) (A.5+B.8)	4,806

The comparative figure is not shown as the Group did not hold this item as at 31 December 2024.

10.2 Insurance revenues and expenses deriving from reinsurance cessions – Breakdown

Not applicable.

10.3 Breakdown of costs by insurance services and other services

31 12 2025	Level A1 - with DPF	Level A2 - without DPF	Level A1 + Level A2	Level A3	Level A4	Level A3 + Level A4	Other
Costs attributed to the acquisition of insurance contracts			-	(683)		(683)	X
Other directly attributable costs.			-	-		-	X
Investment management expenses	X	X	X	X	X	X	-
Other costs	X	X	X	X	X	X	(318)
Total	X	X	-	X	X	(683)	(318)

Level A1 = Insurance contracts issued with direct participation features – Life segment

Level A2 = Insurance contracts issued without direct participation features – Life segment

Level A3 = Insurance policies issued without direct profit-sharing elements – Non-life segment. Motor

The comparative figure is not shown as the Group did not hold this item as at 31 December 2024.

Section 11 - Balance of revenues and costs of a financial nature relating to insurance management - Item 170

Section 11 sets out the tables provided for by the 8th update to Circular 262/2005, which took into account the analogous instructions issued by IVASS for the disclosure required by IFRS 17.

In particular, the tables set out revenues and costs of a financial nature attributable to insurance undertakings, broken down by basis of aggregation.

11.1 Net revenues and costs of a financial nature relating to insurance contracts issued

Items/Aggregation level	Level A1 31 12 2025	Level A2 31 12 2025	Level A3 31 12 2025	Total 31 12 2025
1. Interest accrued				-
2. Effect of changes in interest rates and other financial assumptions				-
3. Changes in the fair value of the assets underlying contracts measured according to VFA				-
4. Effect of changes in currency exchange rates				-
5. Other			18	18
6.Total financial revenues / costs relating to insurance contracts issued, recognized through profit or loss	-	-	18	18

Level A1 = Insurance contracts issued with direct participation features – Life segment

Level A2 = Insurance contracts issued without direct participation features – Life segment

Level A3 = Insurance policies issued without direct profit-sharing elements – Non-life segment. Motor

The comparative figure is not shown as the Group did not hold this item as at 31 December 2024.

11.2 Net revenues and costs of a financial nature relating to reinsurance cessions

Not applicable.

11.3 Insurance operations - Net financial result of investments broken down by life and non-life segment

Items/Operating segments	31 12 2025		
	Life segment	Non-life segment	Total 31 12 2025
	Of which: DPF		
A.NET FINANCIAL INCOME FROM INVESTMENTS	-	-	1,698
A.1 Interest income from financial assets measured at amortized cost and at fair value through other comprehensive income		1,792	1,792
A.2 Net gains/losses from assets measured at fair value through profit or loss		-	-
A.3 Net value adjustments/write-backs for credit risk		(3)	(3)
A.4 Other net costs/revenues		(91)	(91)
A.5 net capital gains/losses from financial assets measured at fair value through other comprehensive income		-	-
B. NET CHANGE IN INVESTMENT CONTRACTS ISSUED IFRS 9			-
C. TOTAL NET FINANCIAL INCOME FROM INVESTMENTS	-	-	1,698
<i>of which: through profit or loss</i>		1,698	1,698
<i>of which: through other comprehensive income</i>			-

As at 31 December 2025, the net financial result mainly consists of interest income on debt securities.

11.4 Insurance operations – Summary of profit or loss results broken down by life and non-life segment

Summary of results/Operating segments	31 12 2025		
	Life business segment	Non-life business segment	Total
A. Financial results			
A.1 Amount recorded in the income statement	-	1,716	1,716
1. Total net financial results of investments	-	1,698	1,698
2. Net revenues/costs of a financial nature of insurance contracts issued	-	18	18
A2. Amounts recorded in the statement of comprehensive income			
1. Total net financial results of investments	-	-	-
2. Net revenues/costs of a financial nature of insurance contracts issued	-	-	-
Total	-	1,716	1,716
B. Net insurance and financial results			
1. Net profit (loss) on insurance services	-	4,806	4,806
2. Total net financial result of investments	-	1,698	1,698
3. Net financial result of insurance contracts	-	18	18
Total	-	6,522	6,522

Section 12 - Administrative expenses - Item 190

12.1 Personnel expenses: breakdown

Type of Expense / Area	Total 31 12 2025	Total 31 12 2024
1. Employees	(1,557,239)	(1,254,444)
a) wages and salaries	(1,092,209)	(871,701)
b) social-welfare charges	(278,272)	(235,226)
c) severance pay	(65,718)	(58,332)
d) social security expenses	-	-
e) provision for staff severance pay	(2,602)	(2,385)
f) pension fund and similar obligations:	(87)	(110)
- defined contribution	-	-
- defined benefit	(87)	(110)
g) contributions to external pension funds:	(31,320)	(22,087)
- defined contribution	(31,314)	(22,087)
- defined benefit	(6)	-
h) costs related to share-based payments	(6,448)	(3,961)
i) other employee benefits	(80,583)	(60,642)
2. Other staff	6,866	9,225
3. Directors and Statutory Auditors	(4,729)	(2,366)
4. Retired personnel	(13)	(22)
Total	(1,555,115)	(1,247,607)

The overall increase in personnel expenses is due, in addition to the contribution of the Mediobanca Group, mainly to the higher costs connected with the latest increases provided for by the renewal of the sector national collective bargaining agreement and to the higher provisions made in relation to the variable component of remuneration.

Line “f) pension funds and similar obligations” includes amounts set aside for internal funds, while line “g) contributions to external pension funds” includes contributions paid and adjustments made to external pension funds.

Line “h) Costs arising from payment agreements based on own equity instruments” includes the provision as well as the fair value change relating to the phantom shares to which key personnel are entitled as the variable part of the incentive scheme.

Line “i) other employee benefits” amounting to EUR 80.6 mln includes the effect of discounting expenses relating to departures through redundancy or access to the Solidarity Fund.

Line 2 “Other active personnel” includes approximately EUR 9.4 mln as at 31 December 2025 (EUR 9.6 mln as at 31 December 2024) relating to Fruendo and due to the reinstatement and subsequent secondment of some employees in 2020.

12.2 Average number of employees by category

Category / Average Number	31 12 2025	31 12 2024
Employees:	21,209	15,869
a) executives	755	159
b) middle managers	8,644	6,015
c) remaining staff	11,810	9,695
Other personnel	390	6
Total	21,599	15,875

The average headcount in 2025 is higher than in 2024, mainly due to the inclusion of Mediobanca Group companies in the scope of consolidation (5,804 employees).

12.3 Defined benefit company pension funds: costs and revenues

Items/Amounts	31 12 2025			31 12 2024		
	Defined benefit company pension funds		Provision for staff severance pay	Defined benefit company pension funds		Provision for staff severance pay
	Internal pension plan	External pension plan		Internal pension plan	External pension plan	
Interest income/expense	(87)	3	(2,464)	(110)	-	(2,355)
Current service cost and gains (losses) arising from settlements [°]	-	(424)	(138)	-	-	(29)
Past service cost	-	-	-	-	-	-
Gains (losses) arising from settlements ^{°°}	-	-	-	-	-	-
Other operating costs	-	415	-	-	-	(1)
Total	(87)	(6)	(2,602)	(110)	-	(2,385)

[°] Pursuant to par. 100 of IAS 19, note that the past service cost and the amount of gains and losses arising from settlements need not be distinguished if they occur together.

^{°°} Only in the event of settlement not set out in the terms of the plan.

12.4 Other employee benefits

No information to report pursuant to paragraphs 53, 158 and 171 of IAS 19.

12.5 Other administrative expenses: breakdown

Items/Amounts	31 12 2025	31 12 2024
Stamp duties	(243,647)	(178,349)
Indirect taxes and duties	(35,541)	(27,265)
Municipal real estate property tax	(19,160)	(19,969)
Property rentals	(3,420)	(958)
Cleaning service contracts	(16,010)	(15,114)
Insurance	(15,979)	(15,826)
Sundry lease payments and Rentals	(123,015)	(113,701)
Remuneration of external professionals	(114,092)	(60,724)
Third-party data processing	(54,057)	(29,803)
Lease of equipment	(31,854)	(32,272)
Utilities	(32,167)	(35,914)
Maintenance of movable and immovable properties (used in the business)	(30,300)	(30,112)
Postage	(15,745)	(16,160)
Advertising, sponsorships and promotions	(12,482)	(2,982)
Membership dues	(4,764)	(2,694)
Reimbursement of employee car and travel expenses	(2,932)	(2,826)
Security services	(6,830)	(6,118)
Software	(51,710)	(46,857)
Expenses for personnel training	(3,232)	(2,252)
Corporate entertainment expenses	(6,253)	(862)
Printing and stationery	(3,188)	(3,550)
Telephone, telefax and telegraph	(7,844)	(5,679)
Transportation	(23,799)	(19,627)
Sundry occupancy expenses and refunds for release of immovable property used in the business	(5,338)	(5,498)
Contributions Resolution Funds (SRF), Deposits Guarantee Schemes (DGS) and Insurance Guarantee Fund	(10,029)	(77,528)
DTA fee	(57,435)	(61,252)
Others	(39,656)	(11,728)
Total	(970,479)	(825,620)

The line “Sundry lease payments and rentals” includes EUR 72.2 mln (EUR 77.6 mln as at 31 December 2024) referring to costs for outsourced services regarding back office accounting and administrative activities related to the management and provision of specific services by the Group. These services entail decreasing considerations over the duration of the contract, against a constant volume of services received by the Group. In accordance with the accounting policies (see Part A, Other information - Costs for constant services and decreasing payments), the recognition of the afore-mentioned costs in the income statements follows a linear trend over the contract duration with the consequent necessity for the Group to recognise a prepayment. The cumulative figure as at 31 December 2025 is EUR 206.6 mln (EUR 232.8 mln as at 31 December 2024) and is included under “other assets”, line “Accrued income and prepaid expenses not attributable to its own separate item” of Part B of these Notes to the financial statements. The line also

includes costs relating to short-term and low-value lease agreements for EUR 3.3 mln (EUR 3.1 mln as at 31 December 2024).

The line “Contributions to resolution funds (SRF and NRD) and Deposit guarantee Systems (DGS)” amounting to EUR 10.0 mln (EUR 77.5 mln as at 31 December 2024), includes the contributions paid to the DGS of EUR 7.6 mln (EUR 75.5 mln as at 31 December 2024), and the estimated EUR 2.3 mln contribution that the Group expects to pay to the Life Insurance Guarantee Fund – established in 2024 by Law no. 213 of 30 December 2023 – in which Italian insurance companies and branches of non-EU insurance companies participate.

The line “DTA fee” includes the expenses related to the fee paid on convertible DTAs into tax credit as set forth in art. 11 of Italian Law Decree no. 59 of 3 May 2016, converted into Italian Law no. 119 of 30 June 2016.

Section 13 - Net provisions for risks and charges – Item 200

13.1 Net provisions for credit risk relative to commitments to disburse funds and financial guarantees issued: breakdown

Transaction/P&L items	Stage 1	Stage 2	Stage 3	Total 31 12 2025	Total 31 12 2024
1) financial guarantees issued	4,308	166	8,714	13,188	12,083
Provision for the year	(2,659)	(3,523)	(25,186)	(31,368)	(43,971)
Write-backs	6,967	3,689	33,900	44,556	56,054
2) Commitments to disburse funds	825	(12,079)	(45)	(11,299)	(8,207)
Provision for the year	(6,258)	(17,698)	(84)	(24,040)	(18,067)
Write-backs	7,083	5,619	39	12,741	9,860
Total	5,133	(11,913)	8,669	1,889	3,876

13.2 Net provisions relative to other commitments and guarantees issued: breakdown

At the reporting date of these Financial Statements and for the financial year of comparison, there were no provisions of this type.

13.3 Other net provisions for risks and charges: breakdown

Items/Amount	31 12 2025			31 12 2024		
	Provisions for the year	Write-backs	Net Provisions	Provisions for the year	Write-backs	Net Provisions
Legal disputes	(101,029)	71,818	(29,211)	(127,681)	71,013	(56,668)
- cost	(90,677)	71,475	(19,202)	(112,009)	70,296	(41,713)
- discounting effect	(10,352)	343	(10,009)	(15,672)	717	(14,955)
Personnel expenses	(4,346)	2,611	(1,735)	(2,794)	2,186	(608)
Other risks and charges	(12,942)	24,580	11,638	(26,577)	16,216	(10,361)
Total	(118,317)	99,009	(19,308)	(157,052)	89,415	(67,637)

Section 14 - Net Value Adjustments/recoveries on Property, Plant and Equipment - Item 210

14.1 Net value adjustments to property, plant and equipment: breakdown

Assets / P&L items	Depreciations	Impairment losses	Recoveries	Net Profit (loss) 31 12 2025	Net Profit (loss) 31 12 2024
A. Property, plant and equipment					
1. Used in de business	(110,346)	(1,632)	-	(111,978)	(101,502)
- owned	(56,893)	(96)	-	(56,989)	(58,109)
- Right of Use acquired through leasing	(53,453)	(1,536)	-	(54,989)	(43,393)
2. Held for investmet	-	-	-	-	-
- owned	-	-	-	-	-
- Right of Use acquired through leasing	-	-	-	-	-
3. Inventories	X	-	-	-	-
Total	(110,346)	(1,632)	-	(111,978)	(101,502)

Section 15 - Net Value Adjustments/recoveries on Intangible Assets - Item 220

15.1 Net value adjustments to intangible assets: breakdown

Assets/P&L items	Depreciations	Impairment losses	Recoveries	Net profit (loss) 31 12 2025	Net profit (loss) 31 12 2024
A. Intangible assets					
<i>of which: software</i>	(68,312)	(2,685)	-	(70,997)	(67,728)
A.1 Owned	(72,154)	(2,685)	-	(74,839)	(67,847)
- generated internally by the company	(11,936)	(659)	-	(12,595)	(14,327)
- other	(60,218)	(2,026)	-	(62,244)	(53,520)
A.2 Right of Use acquired through leasing	-	-	-	-	-
Total	(72,154)	(2,685)	-	(74,839)	(67,847)

Section 16 - Other operating expenses/income - Item 230

16.1 Other operating expenses: breakdown

Item/Values	Total 31 12 2025	Total 31 12 2024
Costs of robberies	(870)	(1,007)
Depreciations of leasehold improvements recognised as Other assets	(3,443)	(4,299)
Operating lease payments	(364)	
Cost of financial lease transactions	(7,285)	(5,730)
Costs from judgments and settlement agreements	(24,910)	(25,214)
Other	(27,424)	(23,874)
Total	(64,296)	(60,124)

16.2 Other operating income: breakdown

Items/Amounts	Total 31 12 2025	Total 31 12 2024
Rents from investment real estate	8,651	7,090
Recovery of taxes	252,667	189,640
Recovery of insurance premiums	1,682	1,327
Other charges payable by third parties	893	-
Potential finance lease payments recognised as revenue for the financial year (lessor)	2,144	-
Income from financial lease transaction	6,768	6,627
Commodities trading (EUAS-certified)	163,768	
Recovery of other expenses	59,222	35,158
Other income	57,507	51,538
Total	553,302	291,380

The Group has no income deriving from the sublease of assets consisting in the right of use (IFRS 16.53 (f)). "Other income" does not include any revenues under the scope of IFRS 15.

The Group does not have any variable income not related to an index or a rate deriving from leasing activities (IFRS 16.90 b).

Section 17 - Gains (losses) on investments - Item 250

17.1 Gains (losses) on investments: breakdown

P&L items/Sectors	Total 31 12 2025	Total 31 12 2024
1) Jointly owned companies		
A. Income	-	-
1. Revaluations	-	-
2. Gains on disposal	-	-
3. Write-backs	-	-
4. Other income	-	-
B. Expense	(110)	-
1. Write-downs	(110)	-
2. Impairment losses	-	-
3. Losses on disposal	-	-
4. Other expenses	-	-
Net Profit (Loss)	(110)	-
2) Companies subject to significant influence		
A. Income	231,155	75,217
1. Revaluations	231,155	75,217
2. Gains on disposal	-	-
3. Write-backs	-	-
4. Other income	-	-
B. Expense	(3,155)	(988)
1. Write-downs	(3,155)	(988)
2. Impairment losses	-	-
3. Losses on disposal	-	-
4. Other expenses	-	-
Net Profit (Loss)	228,000	74,229
Total	227,890	74,229

The amounts recognised as at 31 December 2025 in line 2) A.1 "Revaluations" and 2) B.1 "Write-downs", amounting to EUR 231.5 mln and EUR 3.1 mln respectively, are mainly attributable to the positive and negative results of the Group's associates accounted for using the equity method. In particular, the revaluations are attributable to Assicurazioni Generali for EUR 144.3 mln and to AXA MPS Vita, AXA MPS Danni and AXA MPS Financial Ltd for EUR 86.8 mln. The write-downs are mainly attributable to CLI Holding for EUR 2.3 mln and to Istituto Europeo di Oncologia for EUR 0.8 mln.

Section 18 - Net gains (losses) on property, plant and equipment and intangible assets measured at fair value - Item 260

18.1 Net gains (losses) on property, plant and equipment and intangible assets measured at fair value (or revalued) or at presumed realisable value: breakdown

Assets/P&L items	Revaluations (a)	Write-downs (b)	Exchange difference		Net profit (loss) (a+b+c+d)	Net profit (loss) 31 12 2024
			Positive (c)	Negative (d)		
A. Properties, plant and equipments	12,432	36,157	-	-	(23,725)	(27,355)
A.1 Used in the business	6,041	8,657	-	-	(2,616)	(8,223)
- owned	6,041	8,657	-	-	(2,616)	(8,223)
- right of use acquired through leasing	-	-	-	-	-	-
A.2 held for investment	6,075	26,560	-	-	(20,485)	(18,385)
- owned	6,075	26,560	-	-	(20,485)	(18,385)
- right of use acquired through leasing	-	-	-	-	-	-
A.3 Inventories	316	940	-	-	(624)	(747)
B. Intangible assets	-	-	-	-	-	-
B.1 Owned	-	-	-	-	-	-
- generated internally by the company	-	-	-	-	-	-
- other	-	-	-	-	-	-
B.2 Right of use acquired through leasing	-	-	-	-	-	-
Total	12,432	36,157	-	-	(23,725)	(27,355)

Section 19 - Impairment of goodwill - Item 270

19.1 Impairment of goodwill: breakdown

Owing to its indefinite or unlimited useful life, goodwill is tested at the end of each financial year to assess whether its book value is fairly stated or recoverable. The impairment test carried out in 2025 concerned the provisional goodwill arising from the acquisition of Mediobanca, allocated to the Mediobanca CGU, and the goodwill allocated to the Widiba CGU; in both cases, the test did not result in any impairment loss, since it confirmed the recoverability of the carrying amount.

For more detailed information on how the impairment test relating to the Widiba CGU and the Mediobanca CGU was carried out, please refer to the specific chapter in Part B - section 10 "Intangible assets" of these Notes to the consolidated financial statements.

Section 20 – Gains (losses) on disposal of investments – Item 280

20.1 Gains (losses) on disposals of investments: breakdown

P&L items/Sectors	Total	Total
	31 12 2025	31 12 2024
A. Property	5,221	2,666
- Gains on disposal	5,221	8,813
- Losses on disposal	-	(6,147)
B. Other assets	(119)	2
- Gains on disposal	53	4
- Losses on disposal	(172)	(2)
Net Profit (Loss)	5,102	2,668

The net profit recognised under “A. Property” of EUR 5.2 mln relates almost entirely to the completion of property sale transactions during the year.

It should be noted that the Group did not recognise any gains arising from sale and leaseback transactions (IFRS 16.53 (i)).

Section 21 – Tax expense (recovery) on income from continuing operations – Item 300

21.1 Tax (expense)/recovery on income from continuing operations: breakdown

P&L items/Sectors	Total	
	31 12 2025	31 12 2024
1. Current tax (-)	(334,294)	(98,164)
2. Adjustments to current tax of prior years (+/-)	576	(1,065)
3. Reduction of current tax for the year (+)	-	-
3.bis Reduction in current tax for the period due to tax credits under Law 214/2011	-	-
4. Changes in prepaid taxes (+/-)	1,281,413	603,672
5. Changes in deferred taxes (+/-)	175,846	3,657
6. Tax expense for the year (-) (-1+/-2 +3+/-4+/-5)	1,123,541	508,100

21.2 Reconciliation of theoretical to actual tax charge

Items/Amounts	31 12 2025	%	31 12 2024	%
Pre-tax profit (loss) from continuing operations	1,588,013		1,464,544	
Profit(loss) before tax from assets and group of assets held for sale	771		(20,053)	
Profit (Iloss) before tax	1,588,784		1,444,491	
Theoretical IRES Payable	(436,915)	27.5%	(397,235)	27.5%
Permanent increases	(5,227)	0.3%	(1,401)	0.1%
Non-deductible interest expense	(1)	0.0%	-	0.0%
Losses on sale of equity instruments designated at fair value through other comprehensive income	42	0.0%	-	0.0%
Non-deductible administrative expenses (Municipal real estate property tax, vehicles, telephone, etc.)	(5,268)	0.3%	(1,401)	0.1%
Permanent decreases	1,549	-0.1%	45	0.0%
Gains on sale of equity instruments designated at fair value through other comprehensive income	380	0.0%	(11)	0.0%
Gains on disposal of subsidiaries and associates	38	0.0%	-	0.0%
Deduction IRAP	1,131	-0.1%	56	0.0%
Deduction ACE	-	0.0%	-	0.0%
Reversal of impairment losses on subsidiaries and associates	36,538	-2.3%	22,201	-1.5%
DTA write-downs related to prior tax losses	1,590,215	-100.1%	986,401	-68.3%
Other DTA write-downs	-	0.0%	1,085	-0.1%
DTA ACE write-downs	-	0.0%	-	0.0%
Tax on Profit (losses) from group of assets held for sale	-	0.0%	(11,699)	0.8%
Other components (IRES relative to previous years, spreads between Italian and foreign tax rate, etc.)	5,633	-0.4%	(966)	0.1%
Effective IRES Payable	1,191,793	-75.0%	598,432	-41.4%
				0.0%
Theoretical IRAP payable	(73,878)	4.65%	(67,169)	4.65%
Economic items not relevant for IRAP purposes	(3,340)	0.2%	(7,989)	0.6%
Non-deductible interest expense	(7)	0.0%	-	0.0%
Value adjustments and credit losses	(222)	0.0%	(327)	0.0%
Non-deductible costs of personnel	(2,120)	0.1%	(254)	0.0%
Profit (loss) on subsidiaries and associates	111	0.0%	(1,040)	0.1%
Other non-deductible administrative expenses (10%)	(4,512)	0.3%	(3,860)	0.3%
Amortization non-deductible (10%)	(746)	0.0%	(788)	0.1%
Provisions for risk and charges	(764)	0.0%	(2,741)	0.2%
Other economic items not relevant	4,920	-0.3%	1,022	-0.1%
Increase regional rates effect	(21,153)	1.3%	(13,078)	0.9%
Tax on profit/(loss) on financial assets and group of assets available for sale	-	0.0%	(1,978)	0.1%
Tax refunds from previous years	-	0.0%	-	0.0%
Other components (IRAP relative to previous years, spreads between Italian and foreign tax rate, etc.)	29,124	-1.8%	(2,085)	0.1%
Effective IRAP payable	(69,247)	4.4%	(92,299)	6.4%
				0.0%
Total effective IRES and IRAP tax expense **	1,122,547	-70.7%	506,132	-35.0%

** Includes any "tax" component of item 320 "Profit (loss) after tax from discontinued operations".

The reconciliation relating to IRES includes, aside from the main tax at the rate of 24%, also the additional tax of 3.5% introduced by Italian Law no. 208 of 28 December 2015 (art. 1, par. 65-66).

The reconciliation shows that the theoretical charge of the nominal taxation on the pre-tax profit was more than offset in the year by the income deriving from the valuation of the DTAs; In the table, the lines named "DTA valuation effect" represent the amount of deferred taxes, accrued but not recognisable in the previous year's financial statements due to

insufficient estimated future taxable income, which were fully revalued in the current financial statements, mainly as a result of the improvement in expected future earnings prospects arising from the acquisition of the Mediobanca Group. For further information, please refer to paragraph 11.8 – Part B – Information on the Balance Sheet of these Notes to the financial statements.

Section 22 - Profit (loss) after tax from discontinued operations - Item 320

22.1 Profit (loss) after tax from assets held for sale and discontinued operations: breakdown

P&L items/Sectors	Total	Total
	31 12 2025	31 12 2024
1. Revenue	35,954	50,020
2. Costs	(29,182)	(31,395)
3. Results of the valuation of the group's assets and associated liabilities	(6,001)	(39,856)
4. Gains (losses) on disposal	-	1,178
5. Tax and duties	(995)	(1,968)
Profit (loss)	(224)	(22,021)

The table shows the economic effects and the result of the valuations relating to subsidiary MP Banque S.A., classified as from 30 June 2024 as a discontinued operation in accordance with IFRS 5. In line 3, "Result of measurements of the disposal group and associated liabilities", EUR -6.7 mln relates to the measurement of the investee pursuant to the aforementioned standard, and EUR 0.7 mln to a net write-back relating to credit risk on financial assets measured at amortised cost.

22.2 Breakdown of income taxes on discontinued operations

Income taxes relating to discontinued operations amounted to approximately EUR 1.0 mln as at 31 December 2025 (EUR 2.0 mln as at 31 December 2024).

Section 23 – Profit (loss) attributable to non-controlling interests – Item 340

23.1 Details of item 340 "Profit (loss) attributable to non-controlling interests"

	Total	Total
	31 12 2025	31 12 2024
Consolidated equity investments with significant non-controlling interests	(4,215)	-
Other equity investments	(162)	(160)
Total	(4,377)	(160)

Section 24 – Other information

No disclosure in addition to that presented is required in accordance with the international accounting standards and Circular no. 262 of the Bank of Italy.

Section 25 - Earnings per Share (EPS)

25.1 Average number of diluted ordinary shares

25.2 Other information

Items/Amounts	31 12 2025		31 12 2024	
Weighted average number of ordinary shares outstanding (no. of Shares)	1,766,926,787		1,259,689,706	
Net Profit (loss) (euro th)				
Related to Parent Company continuing operations	2,715,931		1,972,804	
Related to Parent Company discontinued operations	(224)		(22,021)	
Attributable to Parent Company	2,715,707		1,950,783	
EPS (euros)	Base	Diluted	Base	Diluted
Related to Parent Company continuing operations	1.537	1.537	1.566	1.566
Related to Parent Company discontinued operations	(0.000)	(0.000)	(0.017)	(0.017)
Attributable to Parent Company	1.537	1.537	1.549	1.549

Note that, at 31 December 2025, Basic EPS and Diluted EPS are the same, as there were no outstanding financial instruments with potential dilutive effects.

Part D – Consolidated statement of comprehensive income

Analytical consolidated Statement of comprehensive income

Items	Total 31 12 2025	Total 31 12 2024
10. Profit (loss) for the year	2,711,330	1,950,623
Other income components without reversal to profit or loss	(26,305)	(1,028)
20. Equity instruments measured at fair value through other comprehensive income	496	(13)
a) changes in fair value	1,031	2,960
b) Transfer to other components of net equity	(535)	(2,973)
30. Financial liabilities designated at fair value through profit or loss (change in the entity's own credit risk)	(9,741)	(5,130)
a) changes in fair value	(9,741)	(5,130)
b) Transfer to other components of net equity	-	-
50. Property, plant and equipment	(1,716)	(15,821)
70. Defined benefit plans	2,031	(261)
80. Non-current assets held for sale and disposal groups	(5,971)	8,755
90. Share of valuation reserves of equity instruments valued at equity	(3,434)	6,601
110. Tax income related to other income components without reversal to profit or loss	(7,970)	4,841
Other income components with reversal to profit or loss	27,341	33,519
130. Exchange differences:	(3,805)	2,101
a) changes in value	-	-
b) reversal to profit & loss	-	-
c) other changes	(3,805)	2,101
140. Cash flow hedges:	(8,778)	16,910
a) changes in fair value	(10,661)	16,910
b) reversal to profit & loss	(490)	-
c) other changes	2,373	-
160. Financial assets (other than equity instruments) measured at fair value through other comprehensive income	34,425	45,080
a) changes in value	28,963	41,857
b) reversal to profit & loss	5,462	3,223
-impairment provisions	1,631	-
-realised net gains/losses	3,831	3,223
c) other changes	-	-
180. Share of valuation reserves of equity-accounted investments	11,068	(13,691)
a) changes in fair value	3,155	(13,691)
b) reversal to profit & loss	-	-
-impairment provisions	-	-
-realised net gains/losses	-	-
c) other changes	7,913	-
210. Tax income related to other income components with reversal to profit or loss	(5,569)	(16,881)
220. Other income components	1,036	32,491
230. Total comprehensive income (Item 10 + 190)	2,712,366	1,983,114
240. Consolidated comprehensive income attributable to non-controlling interests	(1,703)	(188)
250. Consolidated comprehensive income attributable to Parent Company	2,714,069	1,983,302

Part E - Information on risks and hedging policies

Note: Public Disclosure (Basel III Pillar) is published on the
Group's website: <https://www.gruppomps.it/investor-relations>.

Foreword

A summary of the organisation of the MPS Group's risk governance and the related processes and key functions is described below. An estimate of the Overall Internal Capital and a description of the relative assessment models are also provided.

It should be noted that, with regard to the companies belonging to Mediobanca and its subsidiaries, the organisational structures and risk management processes in place during the year were maintained for the financial year ended 31 December 2025; in particular, Mediobanca's Risk Management Function is responsible for defining appropriate methodologies for measuring and monitoring the overall risk profile, as well as for verifying compliance with the limits established, within the framework of the Risk Appetite Framework, for the various business lines or legal entities.

It should be noted that, in order to ensure consistent treatment of customers, guarantee the continuity of day-to-day operations and maintain a consistent approach to risk management across the Group, a new Risk Appraisal System (RAS) is currently being developed for the new MPS Group, which will be formalised in early 2026.

That said, unless otherwise specified, the figures in this Part E of the Consolidated Notes to the Financial Statements relate to the MPS Group as at 31 December 2025.

For more detailed information on the Group's Risk Governance and risk culture, please refer to the Consolidated Report on Operations.

Risk governance system

The risk governance system adopted by the Group is characterised by a clear-cut distinction of roles and responsibilities of the different functions at first, second and third level of control.

Policies relating to the assumption, management, coverage, monitoring and control of risks are defined by the statutory bodies of the Parent Company. In particular:

- the Parent Company's Board of Directors defines and approves strategic guidelines and risk management policies and, at least once a year, quantitatively expresses the Group's overall risk appetite in terms of economic capital (Risk Appetite);
- the Board of Statutory Auditors and the Risk and Sustainability Committee evaluate the level of efficiency and adequacy of the internal control system, with particular regard to risk control;
- the CEO/General Manager is responsible for ensuring compliance with risk policies and procedures;
- the Director in charge of the internal control and risk management system, appointed in compliance with the Corporate Governance Code for listed companies, is responsible for creating and maintaining an effective system of internal control and risk management.

Specific Management Committees responsible for risk issues have been established in order to promote efficiency and flexibility in the decision-making process and facilitate interactions between the various company functions involved:

- the Risk Management Committee establishes Risk Management policies, evaluates the Group's risk appetite in accordance with annual and long-term Group value-creation targets and ensures and monitors overall compliance with the limits defined for the various operating levels; evaluates the risk profile reached and therefore the capital consumption at both Group level and for each individual company;
- the Finance and Liquidity Committee formulates the principles and strategic guidelines relating to proprietary finance; resolves on and submits proposals regarding exposure to interest rate and liquidity risk in the banking book and defines capital management actions;
- the Credit Committee formulates policies in relation to credit processes and formulates an opinion, at least once per year, on credit policies by verifying their commercial sustainability and consistency with risk appetite levels. Based on the authorities assigned to it, it is also responsible for taking decisions with respect to lending and the management of problem receivables and assets.

As part of the Internal Control System, the Chief Audit Executive Department conducts third-level controls, the Chief Risk Officer Department and the Chief Compliance Executive Department carry out second-level controls and the Business Control Units (BCUs) carry out first-level controls.

The Chief Audit Executive Department performs an independent and objective assurance and advising activity, aimed both at monitoring operations compliance and risk trends (including through on-site audits) as well as assessing the efficiency of the overall internal control system in order to improve the effectiveness and efficiency of the organisation. It also acts as Internal Secondary Supervisor with a view to focusing on the main characteristics of the prudential supervision process adopted by the European Supervisory Authority and on the orientations/priorities outlined by the latter over time so as to evaluate the Group's positioning with respect to the expectations of the Single Supervisor.

The Risk Management Function, reporting directly to the Board of Directors and functionally to the Chief Executive Officer, performs the tasks of risk control and internal validation function. The head of the Internal Validation Function, as defined by Supervisory regulations and transposed internally in the Group policy on the internal control system, also reports to the Head of the Risk Management Function.

The Risk Management Function is therefore responsible for:

- guaranteeing the overall functioning of the risk management system;
- participating in the definition and control of the Risk Appetite Framework (RAF), as well as ensuring that significant transactions are consistent with the RAF;
- verifying capital adequacy based on the ICAAP and liquidity adequacy based on the ILAAP;
- monitoring the Recovery Plan indicators;
- ensuring the necessary reporting flows to the Group's Top Management and Governance bodies;
- ensuring proper and adequate control activities for Group companies;
- performing the function of internal validation of risk management models.

The Chief Compliance Executive Department performs the function of monitoring compliance with the regulations for the Parent Company. The function is directly responsible for managing risks relating to the violation of the most significant rules in Bank-Customer relations and it periodically reports to the company's top management and supervisory authorities regarding the overall state of compliance of the Bank's systems and operations. The Compliance function reports directly to the CEO.

The Financial Reporting Manager exercises governance, oversight and coordination functions over the entire accounting and corporate disclosure process, for which they are responsible for control, documentation of procedures and internal and external communication to the Group. With this in mind:

- sets out adequate administrative and accounting procedures for the preparation of the separate financial statements and the consolidated financial statements;
- promotes the evolution of the methods and systems for controlling the reliability of corporate accounting information, in terms of identification, management, control and mitigation;
- oversees, limited to its own area of competence, the functioning of the risk management system of the company and verifies compliance with it;
- verifies the adequacy and effectiveness of the measures taken to remedy the shortcomings identified;
- verifies the correctness of the accounting system, preparing adequate analysis methods;
- draws up the certifications/declarations in compliance with the formal obligations required by law and regulations.

The outlying BCUs operating within the subsidiaries or main business areas, carry out compliance checks on the transactions and are the first level of organisational supervision of transactions within the broader Internal Control System.

In compliance with the requirements of autonomy and independence of each participating function, there is also a Function Coordination Committee in place with control responsibilities. The Committee promotes and shares operational and methodological aspects to identify possible synergies in control activities carried out by second and third-level Functions, coordinate methods and timing for planning and reporting to the Corporate Bodies and project initiatives connected with the Internal Control System, and share areas for improvement identified by all Functions with control responsibilities as well as the Supervisory Authorities.

Requirements of autonomy and independence of the Risk Management Function

The Risk Management Function's autonomy and independence are ensured as it reports directly to the Corporate Body with strategic supervisory functions (the Board of Directors) and only functionally to the Management Body (CEO). It has direct access to the Body with control functions (Board of Statutory Auditors) and may communicate continuously with

no restriction or intermediation. The Head of the function (Chief Risk Officer -CRO) is also entitled at their discretion to participate in Risk and Sustainability Committee meetings to intervene or propose discussions on specific topics.

The appointment/reappointment of the Head of the Parent Company's function takes place on the basis of an appointment by the Board of Directors, at the proposal of the Risk and Sustainability Committee, which is supported by the Appointments Committee, after consulting the Board of Statutory Auditors.

The determination of the CRO's remuneration structure is decided by the Board of Directors, on the proposal of the Remuneration Committee, after consulting the Risk and Sustainability Committee.

Activities relating to the international Regulatory framework

Pillar 1: since 2008, the Group has used internal models validated by the Bank of Italy for the measurement and management of credit risk (AIRB - Advanced Internal Rating Based) and operational risk (AMA - Advanced Measurement Approach). Over time, and in collaboration with the Supervisory Authorities, these models have been further enhanced and their scope of application extended to Group entities not originally included in the initial validation scope.

Pillar 2: during the year, in particular, work continued with activities aimed at ensuring compliance with the Supervisory Review and Evaluation Process (SREP) framework and further improving the Group's capital adequacy and liquidity self-assessment processes (ICAAP - Internal Capital Adequacy Assessment Process and ILAAP - Internal Liquidity Adequacy Assessment Process), with the mandatory reporting provided to the Supervisors.

The internal assessment of capital/liquidity adequacy are two processes that are part of the more general Risk Management macro-process, in direct connection with the Risk Appetite Framework (RAF) through the annual formulation of the Risk Appetite Statement (RAS) with related thresholds.

The overall internal capital/liquidity adequacy assessment process takes place periodically as part of the strategic ICAAPs and ILAAPs mainly through:

1. ICAAP/ILAAP Outcomes, or quantitative (inherent risk) and qualitative (risk management and controls) assessments on risk positioning prepared by the Risk Control Function and submitted to the Board of Directors for its own resolutions (Capital Adequacy Statement and Liquidity Adequacy Statement), i.e. the summary declarations prepared by the Board of Directors where it expresses its vision and awareness regarding the management of the adequacy of the capital situation and the current and future adequacy of liquidity;
2. Ongoing ICAAP/ILAAP, which consists substantially of periodical analyses of capital and liquidity adequacy which are described in the periodical reports of the Risk Control Function to the corporate bodies.

In 2025, the Risk Appetite Framework, the overall internal reference framework for the determination of the Group's risk appetite, was further developed. In addition, the Group engaged in several improvement projects on the system for the management of the various risks.

Pillar 3: public disclosure is provided on a quarterly basis through the Group's internet site www.mps.it/investors and is continuously updated in accordance with regulatory developments.

Analysis of the Internal Capital

The Overall Internal Capital (or Overall Absorbed Internal Capital) is the minimum amount of capital resources required to cover economic losses resulting from unforeseen events caused by the simultaneous exposure to different types of risk.

The main types of risks incurred by the Group in its day-to-day operations can be summarily described as follows: credit risk; market risk; operational risk; interest rate risk in the banking book; credit spread risk of the banking book; issuer risk of the banking book; counterparty credit risk; real estate risk; issuer risk; concentration risk; equity investment portfolio risk; business/strategic risk; model risk; liquidity risk and reputational risk.

All of the types of risk mentioned above are involved in quantifying the overall Internal Capital, with the exception of liquidity and reputational risk that, instead, are mitigated through organisational policies and processes.

Risks inherent in investment products/services for the Group's customers are also monitored, with a view to protecting the customer and preventing any potential reputational repercussions.

Risk assessment models

The Risk Management Function regularly quantifies the Internal Capital for each type of risk and periodically reports these to the Risk Management Committee and to the Governing Bodies.

The approach used to quantify and supplement the risks-to-capital with regard to which the Group is exposed is known as Pillar 1 Plus. This approach envisages that the Pillar 1 requirements for credit and counterparty risk (which already include those relating to issuer risk on the banking book, equity investment risk and real estate risk) and operational risk, be increased (avoiding double counting) by the requirements from internal models relating to market risks, of both trading book and banking book, banking book interest rate risk (financial risk), credit spread risk and issuer risk of the banking book, concentration risk, and business/strategic and model risk.

Overall Internal Capital is calculated without considering inter-risk diversification, therefore by directly adding together the internal capital contributions of the individual risks (building block approach). This approach aims to incorporate the indications in the SREP (Supervisory Review and Evaluation Process) Guidelines published by the EBA.



The Group also manages and quantifies liquidity risk on an ongoing basis (risk-to-liquidity, as defined in the SREP Guidelines) through internal organisational methodologies and policies.

Section 1 – Consolidate accounting risk

Quantitative Information

A. Credit quality

For the purposes of quantitative information on credit quality:

- the term “on-balance sheet exposure” refers to all on-balance sheet financial assets with regard to banks or customers, regardless of their portfolio of accounting recognition (measured at fair value through profit or loss, measured at fair value through other comprehensive income, measured at amortised cost, non-current financial assets held for sale and disposal groups). Sight receivables from banks and central banks fall within the definition of on-balance sheet exposures but are conventionally excluded from the tables in Section 1, except in the cases expressly indicated in which they must be considered;
- the term “off-balance sheet exposure” refers to all financial transactions other than on-balance sheet ones (financial guarantees given, revocable and irrevocable commitments, derivatives, etc.) that involve the assumption of credit risk, regardless of the purpose for such transactions (trading, hedging, etc.). Off-balance sheet exposures also include the counterparty risk connected to securities lending transactions and repurchase agreements and to the granting or assumption of goods on a loan basis, as well as to transactions with margins included within the notion of Securities Financing Transactions as defined by prudential regulations.

Non-performing loans (on and off-balance sheet) do not include financial assets held for trading and hedging derivatives, which are therefore traditionally recognised among performing exposures.

Equity securities and units of UCITS are excluded.

A.1 Non-performing and performing loans: amounts, value adjustments, changes, trend and breakdown by business sector

A.1.1 Breakdown of financial assets by portfolio category and credit quality (book values)

31 12 2025

	Bad loans	Unlikely to pay	Past-due non-performing exposures	Past-due performing exposures	Other performing exposures	Total
1. Financial assets measured at amortised cost	408,547	1,286,729	143,722	684,249	165,267,534	167,790,781
2. Financial assets measured at fair value through other comprehensive income	-	1,209	-	-	6,575,822	6,577,031
3. Financial assets designated at fair value	-	-	-	-	1,506,408	1,506,408
4. Other financial assets mandatorily measured at fair value	2,806	1,690	12	-	151,525	156,033
5. Financial asset held for sale	40,815	76,487	1,104	1,609	169,541	289,556
Total 31 12 2025	452,168	1,366,115	144,838	685,858	173,670,830	176,319,809
Total 31 12 2024	445,296	1,379,869	73,065	374,484	90,862,217	93,134,931

As at 31 December 2025, forbearance exposures amounted to EUR 1,843.7 mln (EUR 1,750.1 mln as at 31 December 2024), of which EUR 771.3 mln was impaired (EUR 736.6 mln as at 31 December 2024) and EUR 1,072.3 mln was non-impaired (EUR 1,013.5 mln as at 31 December 2024) and are predominantly in the “Financial assets measured at amortised cost - Loans to customers” portfolio. For further information on these exposures, please refer to table A.1.5 below.

A.1.2 Breakdown of financial assets by portfolio and credit quality (gross and net values)

31 12 2025

Portfolio/quality	Non performing assets				Performing assets			Total (Net exposure)
	Gross exposure	Impairment (loss)	Net exposure	Total Partial Write-off**	Gross exposure	Impairment (loss)	Net exposure	
1. Financial assets measured at amortised cost	3,599,059	1,760,061	1,838,998	337,304	167,073,191	1,121,408	165,951,783	167,790,781
2. Financial assets measured at fair value through other comprehensive income	3,896	2,687	1,209	-	6,578,173	2,351	6,575,822	6,577,031
3. Financial assets designated at fair value	-	-	-	-	X	X	1,506,408	1,506,408
4. Other financial assets mandatorily measured at fair value	7,269	2,761	4,508	2	X	X	151,525	156,033
5. Financial asset held for sale	289,577	171,170	118,407	706	171,705	555	171,150	289,557
Total 31 12 2025	3,899,801	1,936,679	1,963,122	338,012	173,823,069	1,124,314	174,356,688	176,319,810
Total 31 12 2024	3,678,565	1,780,336	1,898,229	16,102	91,521,252	474,949	91,236,702	93,134,931

* **Value to be presented for disclosure purposes

At the reporting date, the Group has 83 positions relating to creditors who have applied for an arrangement of creditors (44 in 2024) for a net exposure of approximately EUR 80.3 mln (EUR 17.4 mln as at 31 December 2024).

As at 31 December 2025, the Group holds impaired financial assets acquired (PCI) with a nominal value¹¹⁶ of EUR 774.4 mln, of which EUR 755.6 mln refers to the nominal value of the non-performing loan portfolio of the Mediobanca Group recognised at the acquisition date among purchased or originated impaired financial assets pursuant to IFRS 9 and classified in Financial asset measured at amortised cost portfolio recognised in the financial statements at fair value of EUR 305,6 mln.

The following table provides evidence of the credit quality referring to credit exposures classified in the portfolio of financial assets held for trading (securities and derivatives) and hedging derivatives (not shown in the previous table):

	Low quality assets		Other assets
	Cumulative losses	Net exposure	Net exposure
1 Financial assets held for trading	71,277	4,403	17,997,035
2 Hedging derivatives	-	-	882,187
Total 31 12 2025	71,277	4,403	18,879,222
Total 31 12 2024	57,561	546	6,034,357

¹¹⁶ Nominal value refers to the gross value of the credit.

B. Information on structured entities (other than securitisation vehicles)

B.1 Consolidated structured entities

As at 31 December 2025, in addition to the securitisation vehicles under Law 130/99, the Luxembourg-law company MB Funding Lux S.A. and SPV Project 2224 S.r.l. (in the factoring area) are included in the scope of consolidation, as indicated in “Part A – section 3” of these Notes to the consolidated financial statements.

B.2 Structured entities not consolidated for accounting purposes

B.2.1. Prudentially consolidated structured entities

As at 31 December 2025, there are no prudentially consolidated structured entities, other than the securitisation companies, falling within the scope of the MPS Group.

B.2.2 Other structured entities

Qualitative Information

For disclosures pursuant to IFRS 12 please refer to the comments provided under the table below.

Quantitative Information

31 12 2025

Balance sheet item/Type of structured entity	Accounting portfolio: Assets			Total assets (A)	Accounting portfolio: Liabilities	Total liabilities (B)	Net book value (C=A-B)	Maximum exposure to loss (D)	Difference between exposure to loss and book value (E=D-C)
	Financial assets Held for trading	Financial assets measured at fair value through profit and loss	Financial assets measured at fair value through other comprehensive income		Financial liabilities held for trading				
1. Special Purpose vehicles	-	-	501,718	501,718	-	-	501,718	501,718	-
2. UCITS	937,514	615,806	353,000	1,906,320	707,980	707,980	1,198,340	1,208,065	9,725
Total	937,514	695,501	854,718	2,487,733	707,980	707,980	1,779,753	1,789,479	9,725

UCITS

The aggregate includes, in the column ‘Financial assets held for trading’:

- EUR 42.8 mln (EUR 27.7 mln as at 31 December 2024) relating to the interests held by the Group in units of Bond Funds and Exchange Traded Funds that invest in shares, bonds and derivatives. These units are purchased for the hedging of risks associated with the issue of structured bonds and funds placed through the network by the Parent Company or for repurchase on the secondary market of the structured funds that had been originally structured;
- EUR 894.6 mln (EUR 690.6 mln as at 31 December 2024) relating to financial derivative exposures with a positive fair value mainly to Anima Funds for EUR 183.1 mln - an Irish-registered fund managed by Anima Asset Management - and to Anima Patrimonio - an Italian-registered fund managed by Anima SGR - and to the internal funds of AXA MPS Financial Limited - managed by AXA Investment Managers - for EUR 157.4 mln and EUR 553.0 mln, respectively. The internal funds of MPS AXA Financial Limited are the funds to which the benefits of the unit-linked policies placed with the Group’s customers under the names “AXA MPS Valore Dividendo” and “AXA MPS Rendimento Plus” are linked.

The column “Financial assets measured at fair value through profit or loss” includes:

- EUR 33.1 mln (EUR 32.4 mln as at 31 December 2024) relating to interests held by the Parent Company in private equity funds, whose purpose is to increase the value of the respective equity through mainly medium to long-term investments chiefly in the purchase and/or subscription of shares, units and securities in general representing the equity of target enterprises, exclusively in the best interest of the investors;
- EUR 5.6 mln (EUR 4.7 mln as at 31 December 2024) relating to the closed-end Italian direct lending fund Anima Alternative A, reserved for professional investors that invest primarily in debt instruments and for a non-controlling interest in minority shareholdings;
- EUR 94.2 mln (EUR 124.3 mln as at 31 December 2024) relating to units held in multi-segment closed-end Italian alternative investment fund (Idea CCR I and II, Back2Bonis, Efesto, Clessidra). These funds aim to contribute to the re-launch of medium-sized Italian companies in financial difficulty;
- EUR 9.0 mln (EUR 8.5 mln as at 31 December 2024) relating to units held in a closed-end private contribution real estate fund for qualified investors (Athens RE Fund B). The fund, managed by Unipol Sai Investimenti SGR, holds prestigious tourism complexes located in Tuscany and Sicily.
- EUR 86.8 mln (EUR 88.1 mln as at 31 December 2024) related to the interests held in Fondo Immobiliare Democrito - a reserved real estate fund aimed at collective capital investment transactions in real estate, real estate rights and participations in real estate companies - and in Fondo Etrusco - a real estate fund reserved for institutional investors, whose portfolio is based on sale and lease back transactions of commercial real estate.
- EUR 44.3 mln relating to the interests held by subsidiary Mediobanca S.p.A. in Negentropy RAIF, a Luxembourg-law alternative investment fund managed by Negentropy Capital Partners Limited.
- EUR 0.02 mln (EUR 0.02 mln as at 31 December 2024) consisting of interests held in hedge funds, particularly side pockets and funds under liquidation.

The same aggregate also includes investments in UCITS units arising from sponsor activity carried out mainly by the subsidiaries Mediobanca Premier, CMB Monaco, Polus Capital Management and RAM Active Investments, as well as the units held by subsidiary Mediobanca S.p.A. for Seed Capital activity in favour of funds managed by the subsidiaries. In particular, UCITS units are included for:

- EUR 183.6 mln subscribed by subsidiary Mediobanca S.p.A., relating to investments in the funds managed by subsidiary RAM Active Investments SA: specifically, RAM Global Sustainable Income Equities (EUR 19.5 mln), RAM Stable Climate Global Equities (EUR 36.2 mln), RAM Global Multi-Asset (EUR 43.4 mln), Palladium FCP - RAM Mediobanca Strata UCITS Credit (EUR 84.5 mln); all these investments are Luxembourg-law UCITS with NAV calculated daily.
- EUR 153.2 mln relating to investments in the funds in which subsidiary Polus Capital Management acts as sponsor; specifically, Mediobanca invested EUR 35.6 mln in the European CLO vehicles CLI Holdings I (EUR 3.3 mln), CLI Holdings II¹¹⁷ (EUR 28.8 mln) and CLI III (EUR 3.5 mln), to which investments in the US company (CLO US) amounting to EUR 41.1 mln are added. Mediobanca International Luxembourg invested in the credit fund Polus European Loan Fund¹¹⁸ for an amount of EUR 68.4 mln (of which EUR 11.7 mln in the EUR compartment and EUR 56.7 mln in the USD compartment¹¹⁹); lastly, there are direct investments by Polus amounting to EUR 8.1 mln.
- EUR 44.1 mln relating to investments in the funds managed by subsidiaries Mediobanca SGR and Mediobanca Management Company, of which EUR 13.9 mln subscribed by Mediobanca S.p.A. and EUR 30.3 mln subscribed by Mediobanca Premier in the three funds Mediobanca Global Multi-Asset 30 (EUR 10.2 mln), Mediobanca R-Co Valor (EUR 10.1 mln) and Mediobanca Step In Equity 100 (EUR 10.0 mln).

The "Financial assets measured at amortised cost" column includes loans granted to asset management funds and SICAVs for EUR 377.6 mln; the column also includes, in the Special Purpose Entities line, loans of EUR 501.8 mln in favour

¹¹⁷ CLI Holdings II is an associate accounted for using the equity method pursuant to IAS 28; the value of EUR 28.8 mln refers to the value of the units acquired

¹¹⁸ With regard to the PSSF structure, investments are made through three Feeder funds (sociétés en commandite spéciale) denominated in different currencies (USD, EUR, GBP) and flow into the Master fund (also a société en commandite spéciale) denominated in euro, which implements the investment strategy. The fund's General Partner is Polus Special Situations Fund (GP) S.A.R.L., which is responsible for operating the fund, but does not make investments and has no economic interest therein. Polus Capital Management Limited is the Portfolio Manager of PSSF.

¹¹⁹ With regard to distressed assets, in September 2024 Polus entered into a strategic partnership with one of the largest sovereign wealth funds, which committed to invest in multiple Special Situations strategies.

of SPE Asset Backed - entities set up for the acquisition, construction or management of physical or financial assets, whose credit recovery prospects depend mainly on the cash flows generated by the assets themselves - without holding direct equity interests or interests such as to qualify as sponsor.

The column "Financial liabilities held for trading" amounting to EUR 707.9 mln (EUR 435.1 mln as at 31 December 2024) includes the negative fair value of financial and credit derivatives to Anima Funds for EUR 71.0 mln and the securities funds Anima Patrimonio and MPS AXA Financial Limited's internal funds amounting respectively to EUR 11.6 mln and EUR 623.3 mln.

The maximum exposure to the risk of loss was determined to be equal to book value for exposures to units of UCITS other than the financial and credit derivatives for which reference is made to positive fair value plus the add-on (calculated also taking into account positions with a negative fair value). For UCITS, the maximum risk exposure also includes the Group's commitments not yet called up by the funds, to subscribe additional units.

Further involvement by the Group in structured entities is the placement of investment fund shares with its customers. In 2025, this activity resulted in net revenues of about EUR 494.2 mln (EUR 420.1 mln as at 31 December 2024).

Section 2 - Risks of prudential consolidation

1.1 - Credit risk

Qualitative Information

1 General

Within the guidelines approved by the Parent Company's Board of Directors, and in line with the evolution of the supervisory regulatory framework, the Group pursues the primary objective of improving the quality of the loan book and consequently reducing the cost of credit.

The credit activity is managed with a view to strong proactive behaviour in risk monitoring and enhancement of growth opportunities, through the development of credit policies and systems aimed at making the most of trend data in connection with individual debtors, against a background of in-depth knowledge and strategic management of positions. During the year, lending and loan monitoring processes were strengthened both for the retail and corporate segments.

In particular, as regards the retail segment, during the year a new default detection parameter was implemented within the Early Warning System framework in order to promptly identify counterparties with variable-rate loans affected by an increase in DSTI (Debt Service to Income) above the 70% threshold, so that risk mitigation actions could be initiated promptly; on the origination side, in the second half of the year, the organisational redesign supporting the mortgage approval process was completed, also with a view to efficiency, by centralising within a Parent Company credit structure decisions on mortgage applications with financial sustainability indicators above certain risk triggers (so-called second opinion); moreover, as regards the credit classification process, the application of the default identification rules was further standardised by providing, where certain triggers are activated simultaneously, for bulk management of status transitions both in terms of deterioration and return to performing status.

On the corporate customer side, proactive customer management controls were further strengthened in order to mitigate credit risk promptly, both in the presence of sector-specific and macroeconomic risks; with this in mind, an Emerging Risks Observatory was established to identify risk indicators relating to specific business sectors and guide the planning of management activities aimed at monitoring credit quality; as regards business development, the Fast Lending process for the Small Business and Small Economic Operators segments was consolidated, based on pre-scoring to identify target customers and the subsequent allocation of specific credit limits to support the lending offer.

With reference to the integration of the Mediobanca Group, during the fourth quarter a specific set of credit rules governing the management of credit risk during the transitional period was issued. These operating provisions, aimed at ensuring that the portfolio risk profile and concentration levels by individual customer and sector are maintained, mainly provide for:

- sharing of Risk Appetite Framework (RAF) metrics and related checks on risk limits;
- common rules for the management of shared customers;
- a prior opinion from the competent Decision-Making Bodies of the Parent Company on credit granting proposals above established thresholds, differentiated by Investment Grade and Sub-Investment Grade counterparties or by customers classified in the Parent Company's Watch List;
- ex ante sharing of information in the event of credit reviews;
- ex post sharing of credit decisions and rating reviews below investment grade;
- monthly analysis of mismatches in regulatory status between shared exposures.

2 Credit risk management policies

2.1 Organisational aspects

As its distinctive mission, the Parent Company's Chief Lending Officer Department performs activities of credit risk taking and operational monitoring of credit quality, giving guidance and support to the network in credit activities, directly managing impaired loans, including financial restructuring transactions, and monitoring the impacts of various credit transactions on the cost of credit.

The aforementioned department is sub-divided, inter alia, into three functions specialised in the management of performing and non-performing loans. The Performing function, divided into Retail Lending and Corporate Lending, exercises decision-making autonomy consistent with credit policy objectives and prepares credit operation plans aimed at preserving the quality of exposures and promptly resolving anomalies in the relationship with debtor customers.

Within the Retail Lending chain there is a structure called "Credit Management and Proactive Retail", which exercises responsibility for the disbursement of credit and for monitoring the quality of the credit portfolio for the purpose of preventing deterioration events; in the Corporate Lending chain, the disbursement and prevention of anomalies are assigned to two separate functions, respectively called "Corporate Credit" and "Proactive Business Management". In addition, functions specialising in consumer credit and industrial management of small amounts operate within the Retail Lending chain; finally, two Guidance and Monitoring structures have been set up, both in Retail and Corporate chain, responsible for defining and implementing initiatives to improve the quality of the credit portfolio.

Within the Chief Lending Officer Department operate, mirroring the Retail and Corporate commercial Departments, the Regional Retail and Corporate Credit Departments, which implement the guidelines received from their respective functions in the General Management, exercising delegated powers in credit matters consistently with the credit strategies defined by the Parent Company.

The Non-Performing function, which is responsible for the management of non-performing loans, consists of five structures; Among these, Probable Default, Restructuring and Workout exercise their assigned decision-making powers to manage exposures classified as probable default and non-performing, both in the ordinary way, through the use of collection strategies, write-offs and balances on accounts, and in the extraordinary way, by supporting in the setting up and execution of block sale transactions; the other two functions are the NPE Guidance and Monitoring, responsible for operationally and strategically directing the deliberating functions in line with the Parent Company's credit policy objectives, and the Post Sale Portfolio Management in charge of managing relations with assignees, with particular reference to the analysis of claims received after asset disposal operations.

The Chief Lending Officer (CLO) also has two other functions reporting directly to him:

- The Credit Portfolio Governance, which is divided into four structures, is responsible for monitoring the value of collateral and document management, for the governance of the liability cycle, for the definition of credit strategies and standards, and, through the Credit Innovation function, the implementation of decision-making systems for credit disbursement and monitoring by means of scoring, segmenting and algorithms;
- Credit Control, as the function responsible for supporting the CLO in monitoring, supervision and management reporting activities, both in terms of key performance indicators (KPIs) and key risk indicators (KRIs), as well as carrying out the relevant credit controls pursuant to Law 262 and in compliance with the provisions on the definition of default.

Following the acquisition of the Mediobanca Group, the pre-existing organisational structure remained in place at the reporting date of these Financial Statements; although risk management is the responsibility of each individual business function, the Risk Management Function is responsible for defining appropriate methodologies for measuring all risks and monitoring them, as well as verifying compliance with the limits established, within the Risk Appetite Framework, for the various business lines or Legal Entities.

The Group Risk Management function of the Mediobanca Group consists of the following organisational units: i) Risk Integration, responsible for overseeing the capital and liquidity adequacy of Mediobanca and its subsidiaries, coordinating the cross-functional ICAAP and ILAAP processes, and also implementing an ongoing management system for them within the risk management framework and, in particular, the RAF; the unit also oversees IRRBB and CSRBB risks and is responsible for the Resolution Plan; ii) Credit Risk Management, responsible for the overall direction and governance of credit risk, ensures the development and supervision of credit risk measurement methodologies, defines the management frameworks and processes (granting, monitoring, classification and valuation) and monitors trends in the loan portfolio; iii) Credit Analysis, responsible for carrying out credit risk analysis, assigning internal ratings to counterparties and determining the loss parameter in the event of default; iv) Market Risk Management, responsible for monitoring market and counterparty risks and validating fair value methodologies; v) Non-financial Risk Management, responsible for overseeing operational and fraud risks, risks related to the distribution of investment products and services to customers, IT and cyber security risks, as well as outsourcing risks; vi) Internal Validation & Control, which defines the methodologies, processes, tools and reporting used in internal validation activities, performs validation of the Group's risk measurement systems, and defines and carries out control activities on the Parent Company's main credit processes; vii) Risk Coordination, supports the Chief Risk Officer and the Risk function in relations with Management and the corporate bodies, as well as with the risk management units of the subsidiaries; plans and monitors risk management projects and issues involving several specialist units and defines the framework for managing ESG impacts across the various risk verticals.

2.2 Management, measurement and control systems

Banca Monte dei Paschi di Siena, in its capacity as Parent Company, has defined the standards of conduct that must be adopted in order to ensure the balanced assumption and management of credit risk; to this end, it quantifies and monitors credit quality so that it is always consistent with the set out objectives.

The main metrics used to pursue these guidelines are: the Probability of Default (PD) which expresses the probability that the customer will default over a given period of time, typically one year; the Loss given default (LGD) which expresses the expected loss in the event of insolvency - taking into account the effect of the guarantees that mitigate the assumption of risk related to the credit line - the size of the exposure in the event of default (EAD) and the duration of the exposure (maturity).

Since 2008, the Supervisory Authority has authorised the Parent Company to use advanced internal rating systems to determine capital requirements for credit risk. In particular, the Parent Company is currently authorised to use IRB models for the corporate portfolio and retail exposures, including for Banca Widiba.

Following the acquisition of the Mediobanca Group, in January 2026 the strategic plan for restoring regulatory compliance of the IRB systems in the new Group (Return to Compliance - RTC) was submitted to the Supervisory Authority. Pending completion of the plan validation activities required by the Authority, the Group has been authorised to use Mediobanca's internal models temporarily for consolidated supervisory reporting purposes. With specific reference to credit risk, the PD and LGD models currently used in the respective application scopes of MPS and Mediobanca will therefore be used.

These internal models, as well as for reporting purposes, are used in various management processes for the Group's operating purposes.

All Parent Company and Banca Widiba credit processes use the borrower rating as a decision-making driver, and they are defined based on the specific nature of various customer segments in order to optimise the use of resources employed in loan management/monitoring and to achieve the right balance between the push for sales and an effective loan management system.

In particular, as regards the credit process related to the granting of credit, this is differentiated according to the type of customer and transaction requested and provides for the possibility of performing the rating process for each counterparty, not allowing the exercise of decision-making powers in the absence of a valid rating. The counterparty rating of the Group is the result of a process that assesses in a transparent, structured and homogeneous manner all economic, financial, performance and qualitative information relating to customers that generate credit risks. The official

rating thus determined has ordinary validity until the twelfth subsequent month and must be revised by the end of that month. It is subject to a monitoring process that can anticipate its ongoing revision if significant changes in statistical PDs are identified, exceeding certain cut-offs.

In order to increase efficiency levels in managing internal ratings, the internal rating agencies operating in local areas have become the single point of reference for all units on rating issues. The role of the rating agencies allows for a closer interaction with the network to make assistance more effective, generate more synergies and enable a more efficient transfer of knowledge.

Credit quality is also part of a monthly monitoring process aimed at ensuring compliance with the thresholds established both in the Risk Appetite Framework (RAF) and in the Credit Policies in order to ensure consistency on an ongoing basis between the Group's actual risk profile and the risk appetite decided ex-ante by the Board of Directors.

The annual RAF is formalised in the so-called "Risk Appetite Statement" (RAS) approved by the Board of Directors and based on a set of key risk indicators (KRI) defined at Group, legal entity and business unit level, including indicators aimed at monitoring the expected concentration levels on large exposures and related parties and which also make it possible to monitor the maximum level of exposure and therefore of RWA on individual counterparties.

Following the acquisition of the Mediobanca Group, in order to ensure homogeneous customer treatment, guarantee continuity of ongoing operations and consistent monitoring of Group risks, a specific RAS framework for the new MPS Group is being defined and will be formalised in the early months of 2026.

As part of the RAS, the risk management and measurement systems put in place by the Group allow continuous monitoring of the risk profile and periodic reporting to the Corporate Bodies, with the activation of appropriate escalation and remediation mechanisms in the event of breaches of the relevant thresholds.

Forecast sustainability, as regards credit risk, is ensured by the definition of concrete loan book actions which are communicated to the outlying networks through an internal regulatory document as well as by amending the credit disbursement and management processes and criteria.

Value adjustments to performing and non-performing exposures are determined using methodologies compliant with IFRS 9, as described in section "2.3 Methods to measure expected losses".

Also in the area of value adjustments, the Parent Company's Board of Directors, having received a favourable opinion from the Risk and Sustainability Committee, approves changes that are likely to have a 'significant' impact¹²⁰, concerning: (i) the verification of the significant credit risk (SICR) for the allocation of credit portfolios to the various risk stages and (ii) the determination of the assumptions and data for the expected loss determination (ECL) models on a collective and analytical basis.

The above changes also include management overlays for the purpose of including ad hoc adjustments, not captured by current models, to better reflect uncertainties related to the macroeconomic environment in the valuation of loans. In this regard, the Group has adopted a process that involves a cross-functional working group on a quarterly basis which, having reviewed the salient variables of the most current macroeconomic scenarios available, defines the metrics of any overlays to be activated, which are subsequently subject to control by the Validation function. The results of the analyses carried out are brought to the attention of the Risk Management Committee which, subject to the opinion of the Validation Function, may approve the results.

Lastly, with regard to accounting and management credit risk, the Group has defined a macroeconomic regression model to estimate changes in PD/LGD/EAD as a function of key macroeconomic variables. Drivers that significantly explain variations in individual models are first identified and on the basis of the regression model, credit driver disturbances are then estimated according to the current and prospective economic situation. The shock caused by macroeconomic factors determines the change in the parameters of the credit portfolio, triggering for example the simulation of a hypothetical counterparty downgrading.

2.3 Methods to measure expected losses

The internal PD, LGD and EAD models for credit risk measurement are one of the main elements of assessment for all Group units involved in the credit industry, both at Head Office level (Risk Management, Credit, Chief Financial Officer, General Management, Risk Committee, Board of Directors) and at branch level (rating agencies and managers). As indicated in the preceding paragraph, the Parent Company is currently authorised to use the advanced internal rating

¹²⁰ Significant changes are those that, individually or as a whole, during a quarter, involve changes in expected losses exceeding a given absolute or relative threshold.

systems (IRB - Internal Rating Based) to determine capital requirements against credit risk for the corporate and retail exposure portfolios and to apply these models also to the portfolio of Banca Widiba S.p.A. With regard to the portfolio of the Mediobanca Group, as highlighted above, pending the assessment of the RTC plan submitted by the Group to the Supervisory Authority in January 2026, the internal models currently in use within the respective scopes of application of MPS and Mediobanca remain valid.

For the 2025 financial year, for Parent Company and Widiba, for the purposes of the regulatory PD, LGD and EAD models, the IRB model known as "Model Change 2021" was used.

The development of the internal rating systems involved the adoption of strict and advanced statistical methodologies in compliance with the requirements set out in the regulations; at the same time, models were selected in such a way as to make results consistent with the historical experience of the Group in credit management. Finally, in order to optimise the proper use of these new instruments, the rating models were shared with a top-down approach – from Risk Management down to individual client managers. Estimation of the LGD model was based on internal data relative to capital flows, recoveries and expenses actually incurred on positions transferred to the "default" portfolio. Results obtained from model application were then compared with data recorded by the Workout function which is dedicated to the management and recovery of non-performing loans.

The main characteristics of the advanced rating systems are as follows:

- for all validated regulatory portfolios, the rating is calculated with a counterparty-based approach for each individual borrower, in line with the accepted management practice which provides for the assessment of credit risk, both in the disbursement and monitoring phases;
- ratings are based upon a Group logic: each individual counterparty is assigned a unique rating at Group level; while LGD is defined at the ratio level;
- the rating model segmentation is defined in such a way as to make the individual model clusters consistent with commercial objectives, credit processes and regulatory portfolios set out in the regulations;
- the calculation of the final rating is differentiated by type of counterparty. The credit process envisages a level of in-depth analysis proportional to counterparty risk: the assessment of loan disbursements is based on a complex multi-level structure for medium-large corporate counterparties, whose exposure and concentration risks are higher, and a simplified structure for SMEs, Small Business and Retail clients;
- In line with this process, the final rating for medium-to-large corporate companies, counterparties with a turnover of more than EUR 50 mln and a loan balance of more than EUR 2 mln, is determined as i) an integration of several components: statistical rating, ii) qualitative rating, iii) override option and rating of the economic group to which they belong;
- in the case of SMEs, small business and retail counterparties, on the other hand, the rating is normally calculated on the basis of statistical factors alone (except in the case of reasoned requests for override, so-called statistical rating modified to correct technical anomalies or for optional corporate override on substantiated requests);
- the rating has a 12-month internal validity period and is usually reviewed on a yearly basis, except for rating reviews following well-structured codified practices or that are brought forward on client managers' request or following serious counterparty deterioration; the Group adopts individual cluster scales that allow each entrusted or to be entrusted, not in default, to be assigned a risk profile best suited to the characteristics of the segment in which it falls. These different risk segments/models are linked to a single master scale for all types of exposures for management purposes, allowing all structures involved in credit management an immediate comparison of the risk associated with different counterparties or portfolios; furthermore, the probabilities of default of internal rating classes were mapped against Standard&Poor's external rating scale so as to make internal risk measurements comparable to those available on the financial market;
- LGD reflects the economic (and not only the accounting) loss incurred; for this reason, LGD estimates must also include the costs incurred for the recovery process and a time factor;
- Loss given default is differentiated by type of loans and an LGD value is assigned at the level of each individual transaction; it is also differentiated by geographical area since historical and current recovery rates are different among northern Italy, central and southern Italy and islands;
- the estimation of the loss rate on positions in a state of default other than non-performing was carried out according to the danger rate logic.

The development and monitoring of rating systems has been functionally assigned to Risk Management and is subject to control by the Internal Validation and Internal Control functions.

Below are the highlights of the IRB models currently implemented (Model change 2021) in the context of regulatory PD, LGD and EAD models.

PD models:

- The segmentation of PD models is defined to identify parameters corresponding to the different customer categories in the portfolio. For this purpose, specific thresholds were identified using statistical approaches on some analytical risk drivers such as customer turnover and/or product type on the estimate perimeter;
- the model design includes certain stages (Risk differentiation-score model estimate, Risk Quantification-calibration and introduction of the Margin of Conservatism (MoC));
- the Risk Quantification phase can be conducted in two ways: at calibration segment level or at individual class level on the cluster scale. The choice of the best methodology of the two depends on the characteristics of the analysis segment;
- definition of different cluster scales for each calibration segment to meet all regulatory requirements;
- the long-term default rate on which the PD model calibration is defined is based on the Likely range of variability;
- estimation of Appropriate Adjustment and MoC (pejorative factor), to address weaknesses in terms of data and/or changes in internal processes that may have an impact on PD.

Model LGD Before and After Classification as Bad Loan (jointly LGD) and EAD:

- the estimate sample includes all customers in default not classified as Bad Loans until January 2020 for the models of LGD Before Classification as Bad Loans, and all Bad Loans until 31 December 2019 for the model of LGD Bad Loan; for EAD, the estimation sample includes all customers in default until January 2020;
- to calculate LGD rates and EAD values appropriate to the different types of customers in the portfolio, specific analysis axes were identified to sub-segment the estimate sample;
- the LGD and EAD estimate process was integrated with specific statistical and econometric tests to guarantee more robust results;
- estimate of a downturn adjustment to include in the LGD and EAD a worsening due to the occurrence of recessions;
- revision of the MoC estimate;
- new analyses of model performance (i.e. back testing) through specific statistical tests that compare the LGD and EAD estimated values with the values actually observed;
- introduction for the LGD of a specific approach to manage Incomplete Workouts (i.e. customers for which the collection process is still ongoing) and art. 500 CRR2 (i.e. securitised customers);
- cash flows (recoveries and costs) of LGD are discounted using the 3-month Euribor rate + a prudential spread equal to 5%;
- management of multiple defaults (i.e. default that reoccur within 9 months from the end of the previous default) for the LGD Before Classification as Bad Loan;
- estimate of the expected loss for the exposures in default (LGD Expected Loss Best Estimate);
- segregation of the interest portion and calculation of the loss on the principal amount only (for LGD Before Classification as Bad Loan);
- for the LGD Bad Loan alone, a time factor (Maximum Recovery Period-MRP) is estimated to identify those recovery processes for which, despite being still in progress, no further and significant recoveries are expected.

It should be noted that, starting from 1 January 2025, the update of Regulation (EU) 2024/1623 (CRR III) has limited the exposure classes for which recourse to the advanced methodology (AIRB) is permitted, requiring the use of the Foundation IRB (FIRB¹²¹) method or the standardised method; this measure aims to reduce the variability of capital requirements and improve comparability between intermediaries. To facilitate the transition, a transitional regime is envisaged from 9 July 2024 to 10 July 2027 – providing for a simplified authorisation process for the return to less complex models (FIRB or Standard).

In this context, on 27 November the Parent Company received authorisation from the Supervisory Authority for the request to move from the AIRB method to the FIRB method for exposures to large corporates¹²², relating to the regulatory segments “Other Enterprises” and “SMEs”. These changes, as per the ECB communication, will impact the first official reporting of the capital requirement in March 2026;

¹²¹ basic method under which the bank estimates only the PD internally, while LGD and EAD/CCF are set by the regulations.

¹²² Consolidated turnover of more than EUR 500 mln

IRB Model Change 2024

On 16 February 2026, the ECB final decision was received authorising the implementation for the Parent Company and Widiba, starting from the 2026 financial year, of the new PD and LGD models (Model Change 2024 - MC24), which were revised during 2023 and the first half of 2024. In addition to ensuring the update of the estimates used, the new models make it possible to resolve the findings identified in previous inspection activities by the Supervisory Authority.

PD models:

- recalibration of all models with the update of the calibration time series, i.e. inclusion of the years from 2020 to 2022;
- refinement of the Likely range of variability (LRoV);
- inclusion of the Physical Risk component (Climate and Environment - C&E) in the models where significant. Significance was determined by assessing the impact that physical risk components may have on the determination of the counterparty rating and, consequently, on the definition of the score model and the final PD. To this end, physical risk variables - determined on the basis of physical risk variables available in the ISPRA, ISTAT and State Forestry Corps databases - were applied to a sample of counterparties based on the retail and corporate segments falling within the statistical rating perimeter (companies with a turnover of less than EUR 50 mln) in the rating models currently in production;
- revision of the qualitative questionnaire component for the corporate segments;
- revision of segment cluster scales; in continuity with the model currently in production (MC21); individual cluster scales were built by rating segment, then linked into a master scale, the latter used only for management purposes;
- updating of the various frameworks. In particular, the MOC framework, with the revision and quantification of MOC C (general estimation error) defined by rating class.

LGD Before Classification as Bad Loan and LGD Bad Loan models:

- the estimate sample includes all customers in default not classified as Bad Loans until January 2023 for the models of LGD Before Classification as Bad Loans, and all Bad Loans until 31 December 2022 for the model of LGD Bad Loan; for EAD, the estimation sample includes all customers in default until January 2023;
- modification of the definition of the Maximum Recovery Period (MRP): refinement of the process of identifying the MRP with the verification of additional risk drivers;
- refinement of the framework for estimating the Expected Loss Best Estimate;

Accounting models

For the determination of the expected losses required by IFRS 9, the Parent Company has adopted specific accounting models that have been developed starting from the regulatory models indicated above through a number of adjustments, including in particular:

- adoption of a Point in Time (PIT) PD, appropriately supplemented with forward-looking information, against the Through the Cycle (TTC) PD used for regulatory purposes;
- the removal of some specific components of the regulatory provisions from the LGD as detailed below;
- the use of multi-period PDs and LGD rates that adjust according to the temporal dynamics of the model's drivers (such as loan-to-value) in order to determine the expected loss over the entire residual life of the financial instrument (stage 2 and 3).

During 2025, the PD, LGD and EAD models and the on-demand products model used for IFRS 9 accounting measurements were re-estimated to ensure model robustness and reflect the current conditions of the economic cycle, in continuity with what had also been done in the 2024 re-estimation. The recalibration of the PD and LGD accounting models used for the financial year's estimates incorporates the changes to the regulatory model developed for the 2024 Model Change, which will come into effect in 2026.

The re-estimation in question entailed higher adjustments for a total of EUR 16.6 mln, mainly attributable to the LGD parameter, with stage 2 exposures remaining largely unchanged.

With regard to the perimeter of the Mediobanca Group, it should be noted that the Group did not carry out any model interventions in the IFRS 9 area during the fourth quarter of 2025 and therefore the models already in place within the Mediobanca Group remain valid.

For additional details on the methods to determine expected impairment losses under IFRS 9, definition of default and the methods used by the Group to classify financial assets among non-performing assets, see the paragraph "Methods

for calculating impairment on IFRS 9 financial instruments” of Part A “Accounting policies”, as well as the paragraph below “Non-performing loans” of these notes to the consolidated financial statements.

The following outlines the key aspects relating to the PD, LGD and EAD models and the spot model used for IFRS 9 accounting purposes by the Parent Company and Banca Widiba.

PD IFRS 9

The process for estimating multi-period PD curves is characterised by a statistical analysis of the available drivers, carried out through a segmentation process of the estimation database, and by parametric modelling of survival data. The database used for the estimate was built starting from the historical series of observations of the Parent Company's and Banca Widiba's relationships for the period from January 2012 to January 2025. The segmentation process is based on the analysis of the survival curves, which consists in finding the rates of survival to the default event within the pre-set drivers, and the degree of separation between the survival curves for the modes of each driver is calculated through a statistical test (LogRank Test). Following the definition of the clusters through the segmentation process, we chose the type of survival models to be used for the construction of the cumulative PD curves and estimated them. The model in production therefore provides for the identification of specific curves differentiated by segment, product, rating class, seniority of the loan, geographical area of counterparty, and Ateco class.

The restatement resulted in lower net value adjustments totalling EUR 7.4 mln and concerned:

- the updating of the macroeconomic models used for the forward-looking estimation of default probabilities through: i) extension of the estimation period through the inclusion of the latest available data (from the first quarter of 2012 to the second quarter of 2025); This update resulted in lower provisions totalling EUR 4.8 mln;
- the updating of default probability curves by: i) lengthening the historical series used by including the period January 2024-January 2025; ii) updating the PIT rating with the Model Change 2024 scores, adjusting the historical series with default rates from 2004 to 2024; iii) adjusting the calibration of the PIT rating, in application, to the backtesting evidence and finally (iv) updating the segmentation drivers. This update resulted in lower provisions totalling EUR 2.6 mln;

LGD IFRS 9

Compared to the regulatory model, specific elements have been removed in order to comply with accounting regulations and to achieve a more predictive LGD measure, including:

- elimination of downturn effects, i.e. the LGD estimates do not include negative factors related to any recessionary periods observed in the Bank's history;
- any MoCs are not considered;
- indirect expenses, i.e. expenses that the Group incurs to manage the entire collection process and not directly attributable to the individual customer (i.e. personnel costs, legal expenses, etc.), are not considered for the purpose of determining the LGD;
- the final LGD is discounted at the effective interest rate (EIR) in order to consider the time effect in the management of the collection process;
- in order to obtain a reactive LGD to possible future macroeconomic conditions, a forward-looking factor is estimated starting from specific econometric analyses conducted on macroeconomic forecasting scenarios;
- inclusion of any type of guarantee linked to the customer in the portfolio;
- regarding unlikely to pay exposures and non-performing past-due loans, the regulations require special precautions in the development of AIRB models, including the representation of the risk drivers selected for the final grid over time. The aggregation of the Past Due (PD) and Unlikely To Pay (UTP) risk classes arises from the evidence observed in recent years according to which UTP cases are currently much more present than historical averages, while PD cases are less relevant and limited only to initial vintage. For accounting purposes, to capture the inherent riskiness between the different default states, the separation between PD and UTP is maintained. For UTP counterparties, loss rates have been estimated considering only UTP customers. Instead, given the lower significance of PD counterparties, which may make the process of estimating the contextual loss parameters less robust, the estimation approach of using the sample composed of both PDs and UTPs was retained.

- treatment of massive transfers: the losses realised by “ordinary” disposals over the last few years were included in the data-set of the LGD estimate, in place of the incomplete work-out treatment set forth in the regulatory models. Therefore, the so-called “extraordinary” transactions, i.e. those relating to positions subject to LGD Waiver (Valentine transaction and partially Morgana and Merlino) are excluded from the estimate.

During the financial year, a calibration segment was finally defined for customers with government guarantees. It was found that exposures backed by government guarantees, also granted during the Covid-19 period, are characterised by risk/recovery dynamics influenced by regulatory and extraordinary support measures, which alter their behaviour compared with comparable portfolios not characterised by the presence of such guarantees. In order to ensure the robustness and reliability of the model estimate, these exposures were therefore identified and segregated into a specific calibration segment, on which dedicated assessments are carried out, in order to reflect the underlying dynamics more accurately and ensure methodological consistency with the purpose of the IFRS 9 models.

The re-estimation of the LGD model carried out in 2025, in order to reflect the current conditions of the economic cycle (point-in-time perspective), concerned:

- LGD Bad loans: some analyses were carried out to verify the possibility of estimating a more predictive model than the regulatory version, over a very long time period, which in the new Model Change 24 version reaches a range of 23 years (1999-2022). The analyses carried out led, compared with December 2024, to confirmation of the historical depth of the model already in production, but with the inclusion of defaults observed in the last year (series from 2012 to 2024). This time horizon is considered, also in light of the results of the back-testing activity, to be the one that best makes it possible to appreciate the reduction in recovery rates as a result of the higher disposals. In detail, the choice fulfils the combined provisions of three purposes: (i) time series as “point-in-time” as possible, (ii) significant number of applications that have completed the work-out process and (iii) quality of back-testing results.
- LGD Before Classification as Bad Loans: the selection of the historical series confirmed the depth of the one already in production, but with the inclusion of defaults observed in the last year (series from 2012 to 2024).

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The overall re-estimation of the LGD model resulted in higher provisions for a total of EUR 17.3 mln, of which EUR 1.8 mln relating to the Bad loans LGD and 19.1 mln to the LGD Before Classification as Bad Loans

EAD IFRS 9

The EAD IFRS 9 model deviates from the regulatory model by the removal of the downturn component, any MoCs and the inclusion of expected forward looking trends.

The re-estimation of the EAD model entailed extending the time horizon of the historical series adopted, from the 2012-2023 period used in December 2024 to the 2012-2024 period used in December 2025. The update, aimed at strengthening the statistical robustness of the estimates and alignment with the current conditions, did not entail any change to the model structure, the methodological assumptions, the explanatory variables or the estimation and calibration logics adopted.

The overall re-estimation of the EAD model resulted in lower provisions totalling EUR 0.5 mln

ON-DEMAND PRODUCTS MODEL

For the purposes of estimating expected losses, the Parent Company and Banca Widiba adopt the behavioural model for on-demand products (Non maturing Assets), developed in the interest rate risk area to determine the repayment schedule for financial instruments with no maturity. The re-estimation of the model carried out during 2025 in the IFRS 9 area concerned the recalibration of the reference percentile adopted for the measurement of credit risk with a view to greater data robustness and resulted in higher provisions totalling EUR 7.2 mln.

Measurement of significant increase in credit risk (SICR)

As is well known, IFRS 9 requires that if a significant increase in credit risk is identified - Significant Increase in Credit Risk (SICR) - which involves the need to classify exposures to stage 2, it is necessary to assess the expected losses over

the entire remaining life of the credit exposure. In the other cases (absence of significant increase in credit risk), the expected loss is calculated with reference to the time frame of 12 months (exposure included in the so-called stage 1).

In the approach adopted by the Group, the parameter that measures the change in credit risk and, therefore, any “significant” increase in risk, is the default risk, expressed by the changes in the lifetime probability of default over the entire residual life of the financial asset (hereafter, “Delta PD lifetime”), measured between the date of first recognition of the relationship, or tranche if a debt security, and the observation date, with respect to a threshold value, specific to each transaction, determined according to the relevant risk characteristics.

In addition to lifetime PD, in identifying SICR the Group also takes into account (i) days past due as an indicator of the deterioration in the counterparty's creditworthiness, deterioration which becomes presumptively “significant” when the past due exceeds 30 days; (ii) the granting of forbearance measures; four other elements

With regard only to the Parent Company and Banca Widiba, the following qualitative indicators are also used: (iii) the presence of high risk elements recognised for positions belonging to the Proactive Management *portfolio*; *iv*) classification of *retail and corporate* customers with turnover below EUR 50 mln by the internal early warning system into the highest internal risk class.

For completeness of information, it should be noted that the companies of the Mediobanca Group adopt an early warning methodology in order to identify promptly, on the basis of indicators specific to each business segment, counterparties with potential or evident weaknesses. The counterparties identified are included in a “Watchlist” and classified on the basis of different alert levels - defined according to criteria representative of the individual businesses and activities - in the “Amber” and “Red” categories for performing positions, and “Black” for non-performing positions. The inclusion of the counterparty in the “Amber” or “Red” category, excluding counterparties falling within consumer credit, is adopted as a qualitative stage 2 allocation element. With reference instead to consumer credit managed mainly through the subsidiary Compass, specific qualitative indicators are used for the classification of exposures in Stage 2, such as the presence of suspension measures, the presence of other irregular loans to the same debtor and evidence in the recent past of payment irregularities.

Finally, starting from the 2025 financial year, the Parent Company made use of the low credit risk exemption, in addition to debt securities with an investment-grade rating, also for corporate and large corporate counterparties that at the reporting date have a rating equal to or higher than BBB- (Investment Grade) and are free from the trigger qualitative factors reported above. The same exemption also applies to loans and securities relating to the Mediobanca Group, with the exception of the Italian mortgage portfolio of the subsidiary MB Premier, the low credit risk exemption is applied to all counterparties which at the reporting date have a PD equal to or lower than 0.3%.

The table below shows the percentage incidence of the various classification criteria described above with respect to the gross exposure of loans classified in stage 2 as at 31 December 2025 for the Parent Company and Banca Widiba;

Classification criteria	% of criteria incidence on GBV stage 2 criteria	Parent Company and Widiba		
		of which: Corporate	of which: Retail	of which: Other
30 days past due	0.98%	69.90%	29.36%	0.74%
Forborne	8.26%	65.37%	32.30%	2.33%
High Risk	63.14%	68.30%	25.10%	6.60%
EWS	0.01%	3.10%	96.90%	0.00%
Quantitative	27.61%	72.59%	25.92%	1.49%

With regard to debt securities, the Group has decided to:

- make use of the “Low Credit Risk Exemption”, whereby securities characterised by low credit risk, identified by a rating equal to “investment grade”, are classified in stage 1 and are subjected to the *test* relating to the significant deterioration of credit risk compared with the initial date only in the event of loss of “investment grade” status;
- use the FIFO (First In-First Out) method, in order to compare, for each individual tranche of debt securities purchased, its original creditworthiness with that assigned to it at the reporting date;

- use for the purposes of identifying the existence of a “significant increase” in credit risk a qualitative criterion that determines the stage 2 allocation of tranches belonging to counterparties in the high risk management portfolio.

With particular reference to the quantitative indicator, it should be noted that the lifetime PD is assigned to the individual relationships of Banca MPS and Banca Widiba based on the segment, product, initial rating class and vintage, both at the date of first recognition and at the reporting date. The PDs used in the assessment of the SICR are the same as those used for the calculation of the ECL, which include the forecast of future macro-economic factors. The above-described relative change in lifetime PD represents the quantitative indicator of the change in credit risk over the reporting period from origination. In order to establish whether an increase is to be considered significant, and therefore if it would entail a different allocation in the stages, specific thresholds are defined:

- if the relative change in lifetime PD observed on the position is lower than the significance threshold, then the increase in credit risk is deemed not significant and the position is classified in stage 1 with assessment of the expected loss in the following 12 months;
- if the relative change in lifetime PD observed on the position is higher than the significance threshold, then the increase in credit risk is considered significant and the position is classified in stage 2 with assessment of the expected loss over the entire residual life of the instrument.

This threshold value is determined using statistical models deriving from the analysis of the distribution of lifetime PD changes in the portfolio. The calibration of the threshold is defined at a level for which the significant increase in credit risk is set at least equal to the level of long-term non-performance of the portfolio, which is observed from the historical migration matrices of the ratings.

Again with reference to this indicator, the quantitative criterion based on lifetime PD is also applied to all the subsidiaries belonging to the Mediobanca Group, with the exception of MB Facta Corporate, which uses 1-year PD, and CMB Monaco, which does not apply quantitative criteria. Compared with the Parent Company and Banca Widiba, the change in forward-looking PD is defined on the basis of a defined range of PD variation, as are the qualitative elements observed, specifically for each company in order to reflect the specific features of the business and the company.

By way of example, the following table shows the maximum values of the transfer thresholds for the main loan portfolios of the Parent Company and Banca Widiba consisting of cash loans to customers belonging to the corporate and retail segments. It should be noted that the table shows an aggregation with respect to the drivers represented by the rating, at origination, and by the vintage.

Segment	Product (*)	Ateco	Area	Threshold (max)
Large Corporate	All	Other than real estate and construction	All	68.36%
Large Corporate	All	real estate and construction	All	68.36%
Corporate	All	Other than real estate and construction	All	68.36%
Corporate	All	real estate and construction	All	68.36%
Multi-year real estate companies	OTHER	All	All	11.75%
Multi-year real estate companies	Single leasing product or instalment product, or multiple products at the same time	All	All	12.14%
SMEs	OTHER	All	All	17.17%
SMEs	Single leasing product or instalment product, or multiple products at the same time	All	All	28.82%
Small Business	OTHER	All	All	19.11%
Small Business	Single leasing product or instalment product, or multiple products at the same time	All	All	21.65%
Partnerships - Sole proprietorships	OTHER	All	All	29.07%
Partnerships - Sole proprietorships	Single leasing product or instalment product, or multiple products at the same time	All	All	31.92%
Small SMEs	OTHER	All	All	9.12%
Small SMEs	Single leasing product or instalment product, or multiple products at the same time	All	All	9.12%
Retail mortgages	All	All	CENTRE-NORTH	102.02%
Retail mortgages	All	All	SOUTH and ISLANDS	102.02%
Retail no mortgages	OTHER	All	All	154.35%
Retail no mortgages	Single leasing product or instalment product, or multiple products at the same time	All	All	215.02%

It should also be noted, although insignificant in terms of impacts on the transition to stage 2, the mandatory classification in stage 2 in the event of an increase of more than 200% of the Lifetime PD.

For positions of Banca MPS and Widiba, the Group adopts a stabilisation criterion for quantitative staging aimed at reducing the risk that periods of high uncertainty may lead to excessive staging volatility. The solution adopted was to stabilise the staging based on the quantitative criterion alone, identifying, according to the observations of the previous months, the optimal reporting window in the new stage so that the transition can be confirmed. The Group identified four continuous months (the current month plus the previous three months) as the optimal duration period for the validation of the stage.

On the other hand, the 'forbearance' trigger represents in any case a marginal share of the Stage 2 classification causes; it should be noted that the permanence in Stage 2 is anchored to the duration of the probation period, consequently the possible return to Stage 1 is subject to at least two years from the date of the grant and the absence, in the event of return to fully performing status, of additional qualitative-quantitative indicators of significant increase in credit risk.

Lastly, it should be noted that, at the reporting date of these Financial Statements, there are no stage 2 classifications carried out using a collective approach.

Measurements of expected losses

The methodology for estimating the ECL adopted for the purposes of the determination of value losses on credits in accordance with the IFRS 9 international standard is carried out, as previously indicated, at the level of individual transaction or security tranche, starting from AIRB modelling for the parameters of Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD), to which appropriate adjustments are made, in order to ensure compliance with the requirements of the standard.

In particular, the measurement of financial assets reflects the best estimate of the effects of future conditions, especially in relation to the economic context, on which the forward-looking PD and LGD are dependent. In the context of IFRS 9, also based on indications from international Regulators, importance is given in particular to information on future macroeconomic scenarios in which the Group may operate and clearly affects the situation of debtors in reference to both the “riskiness” that exposures migrate to lower quality classes (thus referring to “staging”) as well as recoverable amounts (thus the calculation of expected loss on exposures). From a methodological perspective, in compliance with the provisions of IFRS 9, based on which the ECL estimate must result from the weighting of a range of possible forward-looking scenarios (“weighted probability”), the impairment model adopted by the Group provides for the use of a baseline scenario, i.e. the use of the scenario that is believed to be most likely, together with two alternative scenarios. The scenarios are processed internally by the Study and Research Function, also on the basis of forecasts contributed by a leading external supplier, they are approved by the Board of Directors and are also adopted in other processes of the Group that use forward looking elements such as the Risk Appetite Framework (RAF), Recovery Plan, budget, forecast, impairment tests of goodwill and equity investments. The scenarios differ in their degree of favour/adversity to economic development and growth, a detailed description of which can be found in Part A – Section “A. 2 - Part relating to the main items of the financial statements” and in particular in the paragraph “Macroeconomic scenarios of the Group for the valuation of loans in the 2025 financial statements”, to which reference is made.

In December 2025, the Group approved a set of forecast macroeconomic scenarios for the 2026-2028 period developed internally, taking also as reference the October 2025 forecasts developed by external providers. These scenarios were used as part of the ordinary annual planning process and the calculation of Adjustments to the value of performing and non-performing loans as at 31 December 2025.

As at 31 December 2025, for the purpose of the ECL estimate, in line with the approach in force starting from March 31, the Group adopted asymmetric treatment, considering only the “Baseline” and “Severe but Plausible” scenarios – weighted at 66.6% and 33.3% respectively – instead of the three scenarios (“Best”, “Baseline” and “Severe but Plausible”) weighted at 21.05%, 52.63% and 26.32% respectively, which were used for the estimates as at 31 December 2024, in order to further align the three-year forecasts with the changed macroeconomic context.

Following is information on the main macroeconomic and financial indicators used in the “baseline” and “severe but plausible-case” and “best-case” scenarios, referring to the three year period 2026-2028, the estimate of which was developed in October 2025:

- the “baseline” scenario appears to be a modest growth scenario characterised by an expansion of Italy's GDP of 0.66% in 2026, 0.45% in 2027 and 0.52% in 2028, a slightly decreasing unemployment rate from 6.16% in 2026 to 5.87% in 2028 and increasing short-term and long-term interest rates;
- the “severe but plausible” scenario is characterised by a stagnation in Italy's GDP over the 2026-2028 three-year period (+0.07%, +0.08%, +0.16%); at the same time, a slightly increasing unemployment rate is expected, equal to 6.46% in 2026 and 6.84% in 2028. The expected trend in interest rates is upward both in the long term and in the short term;
- the “best” scenario is characterised by sustained growth in Italy's GDP, especially in the first year (+1.48%), by an expected declining unemployment rate, from 5.84% in 2026 to 4.82% in 2028, and by a slightly upward expected trend in both short-term and long-term interest rates.

Scenario	Year	Gross Domestic Product	Unemployment rate	Consumer Price Index	3-month interbank interest rate	Eurirs 10y interest rate (%)	Interest rate on 10-year BTPs
Baseline 2025 Financial Statements	2026	0.66%	6.16%	2.09%	2.03%	2.85%	3.63%
	2027	0.45%	6.03%	2.13%	2.20%	3.05%	3.77%
	2028	0.52%	5.87%	1.99%	2.45%	3.37%	4.05%
	AVG	0.54%	6.02%	2.07%	2.22%	3.09%	3.82%
Severe but plausible 2025 Financial Statements	2026	0.07%	6.46%	2.67%	1.75%	2.60%	3.80%
	2027	0.08%	6.72%	1.95%	1.92%	2.79%	3.94%
	2028	0.16%	6.84%	1.73%	2.17%	3.10%	4.22%
	AVG	0.11%	6.67%	2.12%	1.95%	2.83%	3.99%
Best 2025 Financial Statements	2026	1.48%	5.84%	2.10%	2.25%	3.10%	3.70%
	2027	0.83%	5.35%	1.74%	2.47%	3.31%	3.75%
	2028	0.99%	4.82%	1.39%	2.50%	3.60%	3.96%
	AVG	1.10%	5.33%	1.74%	2.41%	3.33%	3.80%

The most relevant macroeconomic variable for the purposes of determining the ECL is GDP and, therefore, it is the representative variable that drives all the others: the average value over the three-year period 2026-2028 is 0.54%, 0.11% and 1.10% in the baseline, severe but plausible and best case scenarios, respectively.

Inclusion of government guarantees

The acquisition of these guarantees, also in consideration of what was declared by ESMA, does not impact the calculation of the SICR of credit exposures, as the latter is not connected to the guarantees, but to the creditworthiness that remains that specific to the counterparty, observing however for the purpose of measuring the expected loss to the extent that the guarantees are not subject to separate recognition in the Financial Statements and are considered an integral part of the contractual conditions governing the loans.

The impairment of exposures backed by a government guarantee is calculated by applying an LGD parameter that takes account of the mitigations attributable to the government, introduced and expanded by the “Cura Italia” and “Liquidity” decrees, in line with ESMA and EBA guidelines. In detail, the Expected Credit Losses are calculated using an LGD defined as a function of the probability of default (0.30%) and the recovery risk associated with Italy.

Management overlay

With reference to the methodologies for estimating impairment losses on performing credit exposures, it is possible that in certain circumstances there may be a need to make adjustments to the valuations, related to particularly complex and volatile macroeconomic contexts, with respect to the outcomes of the modelling adopted. This may arise as a result of new events or risks of an unexpected nature that were not observed in the time series underlying the preparation of the models and cannot be reliably projected for the purposes of the forward-looking component required by IFRS 9.

These adjustments were applied by the Group with the onset of the COVID-19 pandemic starting from the 2020 financial year and were maintained in subsequent financial years, albeit to different extents, in relation to the Russo-Ukrainian conflict, the subsequent effects on energy and commodity prices, and the resulting scenario of rising inflation and monetary policy tightening.

Also with reference to the 2025 Financial Statements, as the geopolitical context and macroeconomic forecasts present strong elements of uncertainty and volatility, the Group has maintained the application of these aggravations. As at 31 December 2025, the overlays applied by Banca MPS and Banca Widiba resulted in additional value adjustments totalling EUR 146.6 mln, up by approximately EUR 77.4 mln compared with the EUR 69.2 mln recorded as at 31 December 2024. In detail, they can be traced back to:

1. C&E scenarios –the inclusion of climate and environmental factors in credit risk estimates by incorporating into the adopted baseline macroeconomic model the indicators observed in the “Sudden Wake-up call” (‘SWUC’) climate scenario, updated in November 2025 and published by the Network for Greening the Financial System (NGFS) has been confirmed. Compared with the 2024 financial year, the scenario used was changed because the ‘SWUC’ scenario proved more conservative than the updated “Net Zero 2050” climate scenario already used for the purposes of the overlay as at 31 December 2024. The new scenario envisages achieving the Net Zero 2050 target through a short but intense recession triggered by a sudden climate transition shock due to a trigger event (e.g., green elections or a natural disaster) that leads to stringent policies, causing a rapid shift of capital from fossil fuels to green assets, generating a sudden market collapse, a confidence crisis and financial turbulence, with negative impacts in terms of global GDP and higher energy prices. The application of these corrections to the baseline scenario led to higher provisions for a total of EUR 16.9 mln, down EUR 6.5 mln compared to the EUR 23.4 mln as at 31 December 2024.
2. Back-testing analysis: in line with what was done in the previous financial year, a back-testing exercise was carried out on the expected loss on individual models by comparing historically estimated LGD rates with the loss rates actually observed on the portfolio of positions closed over the last three years (Dec21-Dec24). The comparison between the ECLs determined in this way showed, for certain statistical LGD clusters, actual rates higher than the estimated ones, resulting in higher adjustment provisions for to EUR 113 mln as at 31 December 2025.
3. Asymmetry of macroeconomic scenarios: from the first quarter of 2025, in order to capture the elements of uncertainty in the current macroeconomic context characterised, as well as the ongoing conflict in Ukraine, and above all by the escalation in the Middle East that culminated in the recent action taken by the United States and Israel against Iran, by persistent trade tensions between the European Union and the United States, which contributed to make the international trade environment more unstable and costly, asymmetric treatment of the scenarios was adopted, considering only the “Baseline” and “Severe but plausible” scenarios - weighted at 66.6% and 33.3% respectively - instead of the three “Best”, “Baseline” and “Severe but plausible” scenarios, weighted at 21.05%, 52.63% and 26.32% respectively. The asymmetry adopted resulted in an increase in expected losses of EUR 12.8 mln as at 31 December 2025.
4. Customers differently classified within the MPS Group: as part of the PPA activities arising from the acquisition of the Mediobanca Group, misalignments emerged in risk classification on common customers, mainly in the Retail segment, attributable to different credit policies adopted. These misalignments are mainly linked to exposures classified as in default by the Mediobanca Group that present a total past-due/overdrawn exposure portion – i.e., including the portion held by the Group – below the absolute and relative default thresholds provided for by regulations. Pending the definition and implementation during 2026 of the new classification rules for the new MPS Group, these exposures were prudentially reclassified to stage 2, resulting in an increase in exposures classified in that risk stage of EUR 102.7 mln and consequent additional provisions of EUR 0.9 mln. For the remaining exposures, namely those with a total past-due/overdrawn exposure portion above the default thresholds, a specific analysis was carried out in December on the higher-amount exposures, resulting in the reclassification of exposures (i) to stage 2 totalling EUR 7.5 mln (equal to 38% of the sample) with additional provisions of EUR 0.1 mln and (ii) to stage 3 totalling EUR 5.7 mln (equal to 29% of the sample) with additional provisions of EUR 1.6 mln. The percentage of reclassified to default observed in the sample (29%) was also projected onto the exposures above the threshold not subject to specific analysis, with consequent further additional provisions of EUR 1.3 mln. Overall, the activities carried out on misaligned exposures resulted in additional provisions of EUR 3.9 mln and an increase in stage 2 of EUR 110.2 mln.

The above increase compared with the previous financial year is mainly linked to (i) the update of the adjustment relating to LGD back-testing and (ii) the introduction of the asymmetric treatment of scenarios. This effect was partly mitigated by (i) the discontinuation of the adjustment on variable-rate mortgages due to the disappearance of the criticality signals

identified in 2024 and (ii) the update of the scenarios used for the C&E overlay, which envisages a smaller contraction in the global economy than the scenario used for the 2024 assessments.

Moreover, as at 31 December 2025, the Group maintained the management overlays already adopted by the Mediobanca Group as at 30 June 2025. Specifically, as at 31 December 2025 the Mediobanca Group maintained overlays of approximately EUR 164.1 mln, mainly in order to include in coverage levels the persistent uncertainties in the geopolitical and macroeconomic context (EUR 39.4 mln), expectations of a gradual rise in default rates towards post-Covid structural levels (EUR 75.5 mln), particularly for consumer credit, and climate risk (EUR 9.8 mln). The remaining portion of management overlays (EUR 39.4 mln) was retained mainly to cover effects related to process changes concerning the NPL portfolio relating to consumer credit not yet incorporated in the ECL calculation.

Overall, as at 31 December 2025 the Group therefore applied adjustments of EUR 310.7 mln, of which EUR 164.1 mln referred to overlays adopted by the Mediobanca Group.

This without prejudice to the transitional nature of the aforementioned management overlays linked to the capacity of expected credit loss models to recognise emerging risks, in addition to the consideration that results deriving from models calculating expected losses are influenced by macroeconomic scenarios largely dependent on phenomena that are not fully consolidated and in any case still subject to extreme variability and uncertainty.

Sensitivity analysis of expected losses

In accordance with the provisions of paragraphs 1 and 125 of IAS 1, the notes to the financial statements must provide information on the main factors of uncertainty that characterise the Financial Statements estimates. Paragraph 129 below provides that this disclosure must be provided in such a way as to allow the reader of the Financial Statements a clear understanding of the elements of judgement used by the management and all related impacts. Among the examples mentioned to pursue this objective are sensitivity analyses, through which the reader is able to appreciate the impacts on the Financial Statements estimates resulting from alternative calculation models, reasonably foreseeable changes in the inputs and assumptions underlying the estimates.

The Financial Statement values whose estimation process is characterised by the presence of significant factors of uncertainty certainly include the adjustment provisions for performing credit exposures (ECL).

As shown in "Part A - Accounting Policies", the determination of expected credit losses involves significant elements of judgement, with particular reference to the model used to measure losses and the related risk parameters, to the triggers deemed to express significant credit deterioration and the selection of macroeconomic scenarios.

In particular, the inclusion of forward-looking factors is a particularly complex exercise, as it requires macroeconomic forecasts to be formulated, scenarios and associated probabilities of occurrence to be selected, and a model to be defined capable of expressing the relationship between the aforementioned macroeconomic factors and the default rates of the exposures subject to valuation, as explained in the previous paragraph.

In order to assess how forward looking factors may influence expected losses, it is considered reasonable to carry out a sensitivity analysis in the context of different scenarios based on forecasts consistent with the evolution of the various macroeconomic factors. The innumerable interrelations between the individual macroeconomic factors are such as to render a sensitivity analysis of expected losses based on the individual macroeconomic factor of little significance.

A table is therefore presented below showing the sensitivity of the main Group credit portfolios consisting of cash exposures to customers in the corporate and retail segments of Banca MPS and Banca Widiba, net of loans classified in the portfolio of non-current assets and disposal groups held for sale. The analysis shows, in line with the same approach adopted for 2024, the impact from each level of risk on gross exposures, on the adjustments and on the coverage ratio in the cases where a weight equal to 100% of the baseline, severe but plausible and best-case scenarios, respectively, is used instead of the scenario defined as weighted - i.e. based on weightings that the Group has attributed to each scenario¹²³ - used by the Group for estimating the stages of risk and value adjustments as at 31 December 2025.

The weighted scenario used for the accounting valuations as at 31 December 2025 is positioned, in terms of adversity, between the severe but plausible and baseline cases. In particular, for non-impaired exposures:

¹²³ The weighted scenario was determined using weightings of 26.3%, 52.6% and 21.1% for the Best, Baseline and Severe but plausible scenarios, respectively.

- the portfolio's sensitivity to the severe but plausible-case scenario would see (i) a shift of counterparties to stage 2, whose gross exposure would increase by EUR 365.9 mln (+3.91%), with a consequent increase in the 2025 ECL estimated at around 12.07% (around EUR 34.3 mln), and a higher average coverage of around 24 bps, (ii) a specular reduction of counterparties in stage 1, whose exposure would decrease by EUR 365.9 mln (-0.53%), an increase in the ECL of around 3.73% (around EUR 4.2 mln) with an average coverage that would remain substantially unchanged;
- the sensitivity of the portfolio to the baseline scenario would see (i) a decrease in counterparties in stage 2, whose exposure would decline slightly by about EUR 31 mln (-0.33%) with a consequent decrease in the 2025 estimated ECL at around 0.83% (about EUR 2.3 mln) and an average coverage that would remain substantially unchanged (-1.5 bps), (ii) a modest increase in terms of both exposures of around EUR 31 mln (+0.05%) and a slight reduction in ECL of around EUR 0.06 mln (-0.05%) for stage 1 with an unchanged average coverage;
- Conversely, the sensitivity analysis of the portfolio to the best-case scenario would see (i) a reduction in the stock of stage 2 positions equal to EUR 326.9 mln (a reduction of 3.49%) with a potential economic benefit on the 2025 ECL of about EUR 34.8 mln (12.27%), and a consequent decrease in the coverage ratio of about 28 bps; (ii) a mirror-image increase in stage 1 counterparties, whose exposure would grow by EUR 326.9 mln (+0.47%), a decrease in ECL of about 5.13% (about EUR 5.8 mln) with average coverage essentially unchanged.

ECL estimate – Stage 3

With reference to the models used to determine expected losses on exposures classified as stage 3, i.e. non-performing exposures, please refer to the discussion in the section entitled “Methods for calculating impairment on IFRS 9 Financial Instruments” in Part “A.2 - Part relating to the main items of the financial statements”.

As discussed in the paragraph “Use of estimates and assumptions when preparing Financial Statements” in “Part A - Accounting Policies”, the calculation of expected losses on non-performing loans involves significant elements of judgement, with particular reference to the estimate of flows deemed recoverable and the relative timing of recovery.

In further detail, as at 31 December 2025, expected losses on non-performing loans are determined analytically on the basis of recovery forecasts, either formulated by the manager or resulting from the application of statistical calculation methodologies, discounted on the basis of the original effective interest rates and the related recovery timeline.

The sensitivity analysis of the impairment losses on non-performing exposures would see an increase of EUR 13.3 mln (+0.94%) and EUR -0.3 mln (-0.02%) respectively in the severe but plausible scenario and in the baseline scenario, and a decrease of EUR 16 mln (-1.12%) in the best-case scenario.

However, it is not possible to rule out that a deterioration in the credit situation of debtors, also as a consequence of the possible negative effects on the economy related to the international geopolitical situation, may result in the recognition of additional losses, even significant, compared to those considered at 31 December 2025 based on the conditions existing at the reporting date.

	Scenario (Delta in EUR/Mln)			
	Weighting	Severe but plausible	Baseline	Best
STAGE 1 Gross exposure	68,980.11	(365.90)	31.05	326.94
of which CORPORATE	37,992.14	(294.67)	22.77	277.45
of which RETAIL	30,987.97	(71.23)	8.28	49.50
STAGE 1 Value Adjustments	113.71	4.24	(0.06)	(5.83)
of which CORPORATE	81.42	1.74	(0.11)	(2.47)
of which RETAIL	32.30	2.50	0.05	(3.37)
STAGE 1 coverage ratio (%)	0.16%	0.01%	0.00%	-0.01%
of which CORPORATE	0.21%	0.01%	0.00%	-0.01%
of which RETAIL	0.10%	0.01%	0.00%	-0.01%
STAGE 2 Gross exposure	9,356.60	365.90	(31.05)	(326.94)
of which CORPORATE	6,880.99	294.67	(22.77)	(277.45)
of which RETAIL	2,475.60	71.23	(8.28)	(49.50)
STAGE 2 Value Adjustments	283.89	34.28	(2.34)	(34.84)
of which CORPORATE	234.36	26.23	(1.61)	(27.33)
of which RETAIL	49.53	8.05	(0.74)	(7.51)
STAGE 2 coverage ratio (%)	3.03%	0.24%	-0.02%	-0.28%
of which CORPORATE	3.41%	0.23%	-0.01%	-0.27%
of which RETAIL	2.00%	0.26%	-0.02%	-0.27%
STAGE 3 Gross exposure	3,086.51	-	-	-
of which CORPORATE	2,348.01	-	-	-
of which RETAIL	738.50	-	-	-
STAGE 3 Value Adjustments	1,427.29	13.35	(0.29)	(15.97)
of which CORPORATE	1,176.66	8.41	(0.19)	(10.03)
of which RETAIL	250.64	4.93	(0.09)	(5.94)
STAGE 3 coverage ratio (%)	46.24%	0.43%	-0.01%	-0.52%
of which CORPORATE	50.11%	0.36%	-0.01%	-0.43%
of which RETAIL	33.94%	0.67%	-0.01%	-0.80%
TOTALE Value Adjustments	1,824.90	51.87	(2.69)	(56.64)
of which CORPORATE	1,492.43	36.38	(1.91)	(39.83)
of which RETAIL	332.46	15.48	(0.78)	(16.81)

2.4 Credit risk mitigation techniques

Mitigation techniques are an important tool to reduce or transfer part of the credit risk associated with the exposure portfolio. In line with its low risk appetite, which characterises its operations, the Group pursues the mitigation of credit risk through the acquisition of guarantees, collateral or unsecured, and certain contracts that determine a reduction in credit risk.

With regard to collateral guarantees, the cash and security pledge deposited with the Parent Company and the mortgages on real estate represent essentially the entire nominal amount of the collateral guarantees acquired and all of them ensure compliance with the regulatory/legal/organisational requirements of the Supervisory Provisions for the application of credit risk mitigation rules. The Group has developed one single process for the acquisition of collaterals which is at the same time a working instrument and the expression of the Group's management policies.

As regards the companies included within the scope of the Mediobanca Group, as at the date of these financial statements, the Credit Risk Mitigation activities governed by specific Directives issued by the individual companies concerned have been confirmed; the specific nature of the products relating to the individual businesses and of the forms of collateralisation supporting them, in addition to the diversity of the organisational models necessarily adopted by the various companies, entails the coexistence of differentiated CRM processes, without prejudice to the oversight exercised by the Risk Management Function over the overall consistency of the entire framework. In particular, the phases of guarantee acquisition, control, reporting and assessment of their eligibility may be carried out by different functions, while the controls relating to mitigation instruments are included in the general risk control and management framework.

With regard to the Parent Company, guarantee management is activated following approval of the credit facility and the process consists of various phases:

- acquisition (including multiple acquisition): the controls of (formal and amount) consistency with the guarantees proposed during the authorisation phase are performed in this stage;
- adjustment/change/amendment: useful to amend the characteristics of a guarantee without interrupting loan protection;
- query: gives information about the present data and the historical trend of guarantees received;
- repayment/cancellation.

If the measures for monitoring collaterals on loans show operational irregularities during the acquisition phase or any inadequacies/losses of the values received as collateral, events falling within the scope of credit monitoring policies are put in place, which trigger operational obligations of credit risk assessment.

In particular, mortgage collateral is mainly acquired in the retail segment and, to a lesser extent, in the corporate segment.

Mortgage guarantees are managed through an IT platform integrated within the Parent Company's systems which is used to automatically transfer information about the property acquired from appraisers directly to those systems. The platform automatically updates all of the Parent Company's loan management applications and digitally archives the appraiser's documentation. It is also capable of standardising the set of information provided.

The appraisers are chosen on the basis of an individual verification of their skills, professionalism and experience and are included in a special list of accredited professionals; their work is also constantly monitored by means of a specific control of deviations between surveyed values and market benchmark data; In addition, for exposures above certain thresholds, a second-opinion valuation entrusted to a highly reputable agency specialised in real estate services is envisaged. The appraisers must prepare their estimates according to valuation methods consistent with the Guidelines for banks on non-performing loans (NPLs).

For the phase of monitoring the assets pledged, the Parent Company has a policy establishing the amounts of the secured exposure and the age of the appraisal, beyond which the properties are appraised again. For exposures below the defined thresholds, in any case, six-monthly monitoring of property values based on market data is envisaged.

In addition, in order to ensure the eligibility of guarantees within the Credit Risk Mitigation process, a specific function within the Credit function activates re-assessment processes in cases where the materiality thresholds are exceeded, processes that are consistent with the policy guidelines, with particular reference to the criteria of age of the appraisal, exposure values, loan to value, and deviations from geo-referenced valuations.

All lending processes backed by guarantees and the related monitoring ensure compliance with the following requirements:

- binding nature of the legal obligation entered into by the parties and enforceability in the event of legal proceedings;

- documented evidence and enforceability of the instrument against third parties in all relevant jurisdictions for the purpose of its exercise and execution;
- timely liquidation in case of non-fulfilment;

an organisational framework adequate to ensure the effectiveness of the process, including the presence of an information system supporting the various phases of the guarantee life cycle and the regulatory formulation of the related management policies. Another significant mitigation instrument compliant with prudential regulation on Credit Risk Mitigation is represented by personal guarantees issued by State bodies such as Sace, Fondo Centrale di Garanzia, Ismea and Consap, which, with regard to the Parent Company, represent a significant share of exposures relative to total Group lending.

For this reason, following requests from the European supervisory authority, during the financial year the Parent Company completed a documentary comprehensive assessment of the State guarantees acquired during the Covid-19 pandemic emergency, aimed at verifying their integrity and compliant acquisition in accordance with the requirements laid down for eligibility for the purposes of Credit Risk Mitigation.

Other instruments protecting credit may be summarised in the following categories: (i) Guarantees (including omnibus guarantees and personal guarantees given by third parties); (ii) endorsement; (iii) guarantee policy; (iv) credit mandate; (v) strong/binding patronage letter; (vi) negotiable effects; (vii) performance bond agreement; (viii) debt delegation; (ix) expromission; (x) assumption of debt; (xi) personal collateral governed by foreign law; (xii) credit derivatives: credit default swaps; total return swaps; credit linked notes.

The main lenders are: (i) sovereign governments and central banks; (ii) public sector and local agencies; (iii) multilateral development banks; (iv) regulated intermediaries; (v) guarantee institutions (Confidi); (vi) companies and individuals.

The presence of collateral or personal guarantees is reflected, as mentioned above, in the quantification of Expected Credit Losses (ECLs) of the Financial Statements. With regard to collective assessments, the main 'transmission' channel is LGD, one of the input parameters used for the assessments: for this purpose, each exposure is divided into tranches, determined according to the different types of collateral backing the exposure, and a specific LGD is calculated for each tranche.

With regard to analytical valuations, the Group Parent factors the value of real collateral predominantly within a gone-concern valuation approach applied, beyond certain thresholds, to all bad loans as well as to unlikely to pay exposures where a going-concern scenario is excluded or where the partiality and lack of reliability of the company business plans do not allow for a plausible estimate of the company's ability to honour the debt through cash flows generated by its business activity (going concern method); the going-concern assumption does not necessarily exclude the possible realisation of guarantees to the extent that such realisation does not prejudice the debtor's ability to generate cash flows; the realisable value of real estate collateral is obtained by applying specific haircuts calculated within the Parent Company's historical series, which include the outcomes arising from awards in real estate enforcement proceedings and factor in market evolution scenarios.

As regards the mitigation of counterparty risk for OTC (unregulated) derivatives and SFT (Securities Financing Transactions or security lending and repurchase agreements), the Group uses bilateral netting agreements that allow, in the event of counterparty default, the offsetting of credit and debit positions. This is achieved through the execution of master agreements referring to the international standards published respectively by the International Swap Derivatives Association (ISDA Master Agreement); the International Securities Lending Association (GMSLA) and the International Capital Market Association (GMRA), which, in compliance with supervisory regulations, also allow a reduction in regulatory capital absorption. Within the above master agreements, the exchange of collateral (or margins) intended to secure the exposure arising from the related transactions is also governed. With reference to OTC derivatives, it is through such collateralisation agreements (concerning both the exchange of variation margin and initial margin) that the Group fulfils the margining obligations laid down by EMIR.

Finally, as at 31 December 2025, there are two synthetic securitisation transactions finalised by the Group in July 2021 with a view to optimising capital absorption, called "Siena 2021-RegCap-1" and "Siena 2021" - RegCap - Specialised Lending". For details of the transactions, please see Section C. Securitisation Transactions in this chapter.

Significant risk transfer (SRT) to investors was achieved for afore-mentioned transactions through the acquisition by a third-party investor of a financial guarantee in the form of a term deposit pledge.

3. Non-performing loans

3.1 Management strategies and policies

The classification of non-performing exposures into the different risk categories (e.g. bad loans, unlikely to pay exposures and non-performing past due loans; together, non-performing exposures), is carried out in accordance with European

legislation (EU Delegated Regulation No. 171/2018 supplementing the 2013 CRR Regulation) and the EBA Guidelines on the application of the definition of default (EBA/GL/2016/07)

In line with these principles, the cases of non-performing exposures include:

- Loans overdue by at least 90 days identified automatically through the application of standard calculation criteria defined at European level
- Distressed restructurings, namely concessions granted to a debtor in difficulty that imply a significantly reduced financial obligation.
- Transfers of the credit obligation involving significant losses connected with credit risk
- Loans relating to debtors intercepted by Early Warning System procedures that do not pass financial sustainability tests in terms of their ability to fulfil their credit obligations through the cash flows generated by ordinary operations, thus allowing the exposure to return without the need for the Bank to initiate guarantee enforcement proceedings.

At Group level, specific processes and procedures are envisaged for detecting the higher-risk portfolio (Watch List) in order to identify non-performing exposures. For exposures included in the portfolios of Banca MPS and Banca Widiba, impairment is identified either through credit assessments carried out by the functions responsible for monitoring portfolio quality or through automatic default detection mechanisms in the presence of specific risk triggers, including (i) judicial insolvency or composition proceedings, (ii) past-due/overdrawn amounts of more than 30 days on forborne exposures originating as NPEs, or more than 90 days on loans backed by State guarantees, (iii) single proceedings for the negotiated settlement of business crises with the application of protective measures, (iv) over-indebtedness crisis settlement procedures and (v) confirmed protests.

As regards exposures included in the portfolios of the companies of the Mediobanca Group, it should be noted that portfolio quality is monitored through an early warning system based on specific indicators by business segment and company, suitable for identifying counterparties with potential or evident weaknesses classified according to different alert levels (Amber, Red, for performing positions, and Black for non-performing positions).

The return to performing status of non-performing exposures, governed by the Supervisory Authority as well as by specific internal rules, may be decided by the competent functions responsible for managing non-performing loans; the exception is represented by non-performing past-due exposures and non-performing exposures relating to the Residential Real Estate (RRE) and consumer credit sector of the Mediobanca Group, for which the return to performing status takes place through automatic processes.

Impaired past due and/or in arrears exposures and probable defaults, which are not subject to forbearance measures, must continue to be classified as such until at least three months have elapsed since they no longer meet the conditions to be classified as such. During this probation period, the conduct of the counterparty must be assessed in light of its financial situation (in particular, by verifying the absence of overruns above the materiality thresholds). For counterparties classified as likely to default forborne, the application of the so-called "cure period" of at least 12 months prevails, at the end of which the position may be reclassified as performing, provided that there are no overdrafts on the part of the debtor and the debtor has paid a significant amount of principal and interest and that, more generally, the criteria for the return to performing status of counterparties are met.

With regard to valuation, exposures classified as bad loans and unlikely to pay belonging to the portfolios of Banca MPS and Widiba are subject to analytical assessment for exposures above a given threshold amount (equal to EUR 1 mln). For all remaining non-performing exposures, the valuation is carried out statistically on the basis of parameters determined by Risk Management.

As regards the companies included in the Mediobanca Group, the accounting valuation of non-performing loans envisages, depending on the specific features of the business of the individual companies, either analytical analysis methods or methods based on the identification of clusters of similar positions. In particular, it should be noted that non-performing exposures relating to corporate activities, as well as mortgage exposures classified as bad loans, are subject to analytical measurement with no exposure limits; all non-performing exposures relating to consumer credit and mortgage loans other than bad loans are instead subject to statistical valuation, without materiality thresholds, on the basis of PD, LGD and EAD metrics estimated through the use of internal models and conditioned by macroeconomic factors through satellite models

In general, the analytical assessment of loan recoverability is triggered upon transition to non-performing status, or a worsening of status within the default itself, upon the occurrence of relevant events affecting recovery prospects and, in any case, is subject to periodic reviews, during which updates on the asset positions of debtors and guarantors are assessed.

During 2026, strong oversight will remain in place for the proactive management of the Parent Company's portfolio backed by State guarantees, in order to accelerate collection times upon enforcement and minimise the risk of losing the guarantee because of documentary shortcomings and/or delayed fulfilments. In addition, measures are envisaged to improve the performance of Early Warning System models, which are subject to periodic back-testing as well as validation by the Risk Management Function, in order to direct default prevention actions towards the segments most exposed to the different types of risk, whether idiosyncratic, systemic or related to emerging risks.

For non-performing counterparties, the objectives pursued will be to further streamline recovery processes that can be activated within the various management chains and, at the same time, define deleveraging strategies most compatible with the different portfolio clusters.

The 2026 NPE Strategy, defined within the new consolidation scope and in line with the objectives of the 2026-2030 Industrial Plan, is intended to accelerate de-risking on NPE exposures belonging to the Commercial Real Estate and Consumer segments in order to comply with the recommendation to reduce non-performing stock formulated by the ECB in the latest SREP Decision issued at the end of 2025.

3.3 Write-offs

With regard to non-performing loans, the Parent Company resorts to the write-off/cancellation - in whole or in part - of uncollectable accounting items and consequently allocates to losses the residual amount not yet adjusted in the following cases:

- as a result of a voluntary waiver, when one freely assesses the financial standing of a debtor and decides to write-off part of the exposure to that debtor due to a verified uncollectability, or
- when it is deemed that the gross value is no longer recoverable in whole or in part: such an assessment does not imply the waiver of the debt nor does it affect recovery actions but it is an acknowledgement that at least part of the debt is not recoverable.

The assumptions underlying an unrealistic assessment of recoverability, in relation to which it is considered appropriate to abandon interruption of the limitation period, occur when the composition, bankruptcy, enforcement and even inheritance procedures have come to an end, together with the absence of co-obligors or guarantors to be enforced, as well as in cases of documentary verification of impossible and/or infeasible recovery from debtors/guarantors and, lastly, upon conclusion of out-of-court settlements.

The control process aimed at identifying the lack of realistic recovery prospects focuses on the counterparties with a given coverage level as well as a certain vintage. In detail, the Group has decided to carry out total/partial write-offs, at least for bad loans with seniority (understood as a period of permanence in the status of "non-performance" of more than three years) and an impairment level of more than 95%, where there are no reasonable expectations of further collections.

In 2025, in line with the above accounting policy, the Parent Company recognised total and partial write-offs amounting to approximately EUR 115 mln.

As regards the Mediobanca Group, and in particular during 2025, a process was defined for recognising partial write-offs implemented on credit exposures where at least two months had elapsed from the date of forfeiture of the benefit of term and with no recovery plans in progress, whether judicial or out-of-court/bill of exchange; this made it possible to achieve a reduction in non-performing exposures of approximately EUR 420 mln, mainly in the consumer credit segment.

3.4 Purchased or originated impaired financial assets

The purchased or originated financial assets (POCI) include financial instruments, acquired or originated, which were already credit impaired at their initial recognition, that is, they showed some signs of impairment in credit quality.

The accounting rules relating to POCIs apply to financial instruments measured at amortised cost or at fair value through other comprehensive income; that is, SPPI-compliant financial instruments in the HTC and HTC&S business models. For further details on the accounting treatment of this type of financial asset, refer to the paragraph "Purchased or originated credit-impaired financial assets" (POCI) in the Notes to the Financial Statements - Part A - "Accounting policies".

The Group includes the following cases as POCI financial assets:

1. substantial changes to the loans (other than those that result in failure of the SPPI test), agreed with non-performing customers, to which derecognition accounting is applied, in accordance with accounting policy;
2. new credit facility to a non-performing counterparty;
3. acquisition of a portfolio of non-performing loans as part of business combinations;
4. purchase of individual financial instruments.

In particular, the first two refer to “Originated credit-impaired financial assets (OCI)” and the others to “Purchased credit-impaired financial assets (PCI)”.

Included among originated credit-impaired financial assets (OCI) are the consumer loans granted by the subsidiary Compass relating to (i) the “Ridefinizione” product, which consists in combining the residual debt into a single new personal loan with a lower instalment and without any additional liquidity for the benefit of “existing customers” experiencing difficulties in paying instalments, and (ii) the “Quinto dello Stipendio” product, usually granted in the management of customers already classified as non-performing at the application date.

As indicated above, PCI loans recognised in the Group’s financial statements may derive not only from individual purchases of non-performing exposures but also from business combinations. With regard to the latter case, the acquisition of the former MB Group during the financial year resulted in the recognition of a portfolio of non-performing loans, which were therefore initially recognised as POCI pursuant to IFRS 9 and recognised in the financial statements at the fair value determined during the Purchase Price Allocation as the initial recognition value. In more detail, at the acquisition date the accounting records of the Mediobanca Group showed a gross amount of non-performing loans of approximately EUR 1.197.5 mln, of which EUR 160.9 already classified impaired from former Mediobanca Group.

In light of the aforementioned acquisition transaction, also taking into account the impaired financial assets originating in the last quarter from the subsidiary Compass, POCI loans relating to the Mediobanca Group recognised among Assets measured at amortised cost portfolio as at 31 Dicembre 2025, totalling EUR 304.9 mln, of which EUR 191.7 mln relates to impaired loans and EUR 113.2 mln to performing loans (Stage 2).

Lastly, the the Paret Company’s POCI portfolio entirely classified among financial assets measured at amortised cost totalling EUR 1.8 mln and refers to impaired loans, of which: (i) EUR 1.2 mln from contractual modifications which, although substantial, did not affect the original characteristics of the credit relationship, and (ii) EUR 0.6 mln from repurchases of impaired financial assets (PCI) already sold.

4. Financial assets subject to commercial renegotiations and exposures subject to forbearance

Financial assets subject to commercial renegotiations

This category includes renegotiations of credit exposures - by changing the original contractual conditions - granted by the Group for commercial reasons to performing customers, with the objective of maintaining the relationship with the customer. The changes in question are divided into the two categories set out below, depending on the purposes and effects of the amended contracts agreed between the parties:

1. transactions that entail a change in the original payment schedule (re-scheduling), to the benefit of the debtor;
2. transactions that do not entail a change in the original payment schedule and that seek to adjust the debt burden to market conditions. These transactions result in a change in the original contract conditions, usually at the customer's request, that reference aspects associated with the debt burden.

Requests to reschedule the loan entail, in any event, the assessment of whether the customer is experiencing financial difficulties - in line with the preliminary review process for the loan - which is carried out based on predominantly objective assumptions to avoid errors in assigning the forbore classification and is also governed from a subjective/qualitative perspective by specific Group guidelines.

With regard to the measures to revise the terms and conditions on land and mortgage loans for private individuals, however, the assessment of financial distress is envisaged through the initiation of a PEF investigation process in the event that a reasonable business opportunity does not exist or in the event of active default detection parameters or other operational events of a credit nature.

The Group's processes do not envisage massive initiatives aimed at renegotiation, but specific evaluation approaches for the requests received, always managing the latter with a view to retention. This phenomenon is primarily attributable to the residential mortgages sector, using qualitative/quantitative metrics (based both on the risk-adjusted profitability and the market benchmark, or the level of pricing expressed by the banking system), appropriately associated with commercial valuations, such as the expected benefits deriving from maintaining or achieving the reference status with the individual customer.

Forborne exposures

Forbearance measures are activated, both on the retail as well as corporate segment, when a financial criticality emerges that may impact the counterparty's capacity to satisfy their financial commitments in relation to debt repayment. The forbore classification may be found both in non-performing exposures and in exposures where the difficulties identified are still compatible with performing status.

It is decisive, in order to identify the sustainable concession measure, to verify the impact of the financial distress on the debt: the concession measure is only implemented if the aforementioned impacts are nevertheless assessed as surmountable through the use of the concession measure itself.

At the time the concession is granted, it is important to assess the degree of financial difficulty the customer is in (serious or otherwise) in order to identify the type of measure (suspension of payments or simple rescheduling of the debt) and to ensure that the measure is credibly aimed at resolving the customer's difficulty. With specific reference to the Parent Company's retail customers, the decision-making framework for granting forbearance is centred on determining the residual income of the customers affected by the measure; where the financial criticality results in negative residual disposable income, the conditions exist for granting the measure, the sustainability of which is verified on the basis of the post-concession values assumed by specific indicators such as Loan Service to Income or Debt Service to Income; in the corporate segment, the assessment includes both the use of historical data and the forecast business plan, as well as verification of the medium- to long-term strategies of the company concerned.

As regards the subsidiaries included in the Mediobanca Group, the types of measure are mainly represented by rescheduling of maturities, suspension of payments, refinancings and covenant waivers; with reference to the assessment of financial difficulty, this is determined on the basis of the actual or potential accumulation - in the absence of further concessions - of more than 30 days past due and is carried out mainly through (i) tailor-made analyses in the corporate and leasing business and (ii) assessment of predefined conditions in consumer credit.

The 2025 trend in the stock of gross forbore performing exposures (probation period), net of the increase of approximately EUR 368.4 mln due to the recognition of forbore performing positions present in the portfolio of the Mediobanca Group at the acquisition date, shows a reduction in the portfolio of approximately EUR 285.1 mln; this decrease is mainly due to the reduction in requests for forbearance measures, particularly from the households segment (EUR 189.3 mln compared with EUR 356.3 mln in 2024), and to the increase in the rate of return to fully performing status to 26.5% (21% in 2024).

The stock of gross forborne non-performing exposures also, net of the increase of approximately EUR 439.6 mln due to the recognition of forborne non-performing positions present in the portfolio of the Mediobanca Group at the acquisition date, stands at lower levels than in the previous year, with a reduction of approximately EUR 179.2 mln supported by an improvement in the cure rate to around 15% in the financial year (11% in 2024) and by a reduction in the incidence of new concession measures granted to fully performing counterparties on which a state of serious financial difficulty was identified that made the transition to non-performing status mandatory (EUR 89.5 mln compared with EUR 205.5 mln in 2024)

The amount of gross outstanding credit exposures to customers (non-performing and performing) subject to concessions is set out in Table A.1.7-bis below, in the Quantitative Information - A. Credit Quality section, to which reference should be made for further details. With regard to the impact, in the process of assessing the SICR and measuring expected losses, please refer to Section 2.3 “Methods for measuring expected losses” of the previous Section.

With specific reference to impairment, note that all forborne exposures other than non-performing are classified in stage 2 and are valued, similarly to the exposures in stage 3, for an amount equal to the expected losses throughout the life of the loan. Any decrease in credit risk and the resulting classification in stage 1 and measurement of impairment for an amount equal to expected credit losses in the subsequent 12 months, is linked, in the absence of further indicators of significant increases in the risk of credit, to the return to the fully performing status of the exposure or to the loss of the forborne classification.

Quantitative Information

A. Credit quality

A.1 Non-performing and performing loans: amounts, value adjustments, changes, trend and breakdown by business sector*A.1.1 Prudential consolidation - Breakdown of financial assets by past due ranges (book values)*

Portfolio/staging	Stage 1			Stage 2			Stage 3			Purchased or originated credit impaired		
	Up to 30 days	from 30 to 90 days	Over 90 days	Up to 30 days	from 30 to 90 days	Over 90 days	Up to 30 days	from 30 to 90 days	Over 90 days	Up to 30 days	from 30 to 90 days	Over 90 days
1. Financial assets measured at amortised cost	426,046	25,399	90,282	128,333	77,403	23,858	54,438	116,330	892,833	3,599	4,210	76,946
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
3. Financial assets held for sale	-	-	-	31	1,578	-	1,928	7,895	92,024	-	-	-
Total 31 12 2025	426,046	25,399	90,282	128,364	78,981	23,858	56,366	124,225	984,857	3,599	4,210	76,946
Total 31 12 2024	128,572	-	-	141,647	82,598	21,094	51,734	122,363	1,043,538	-	-	1,283

A.1.2 Prudential Consolidation - Financial assets, commitments to disburse funds and financial guarantees issued: changes in overall value adjustments and total allocations

Causali/stadi rischio	Overall value adjustments											
	Assets included in Stage 1						Assets included in Stage 2					
	Crediti verso banche e Banche Centrali a vista	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale and disposal group	of which: specific writedowns	of which: collective writedowns	Financial assets measured at amortised cost	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale and disposal group	of which: specific writedowns	of which: collective writedowns
Overall value adjustments, opening balance	100	118,146	1,210	241	-	119,697	-	353,704	1,331	329	-	355,363
Increase in purchased or originated financial assets	164	366,874	2,077	-	-	369,114	-	325,955	-	-	-	325,955
Derecognition different from write-off	-	(7,949)	(972)	-	-	(8,921)	-	(18,733)	-	-	-	(18,733)
Net losses (recoverise) on impairment	(83)	(68,599)	37	-	-	(68,645)	-	(37,985)	-	-	-	(37,985)
Modification gains/losses	-	(1)	-	-	-	(1)	-	42	-	-	-	42
Change in evaluation methodology	-	-	-	-	-	-	-	-	-	-	-	-
Write-off	-	(22)	-	-	-	(22)	-	(207)	-	-	-	(207)
Others	5	78,350	-	169	-	78,525	-	(5,937)	(1,331)	(177)	-	(7,446)
Overall value adjustments, closing balance	186	486,799	2,352	410	-	489,747	-	616,839	-	152	-	616,989
Recoveries from collections of financial assets subject to write-off	-	-	-	-	-	-	-	-	-	-	-	-
Write-off recognised through income statements	-	(353)	-	-	-	(353)	-	(295)	-	-	-	(295)

Overall value adjustments												Total provision on commitments to disburse funds and financial guarantees issued					Total
Assets included in Stage 3												Stage 1	Stage 2	Stage 3	Commitment to disburse fund and other financial guarantees issued		
	Crediti verso banche e Banche Centrali a vista	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale and disposal group	of which: specific writedowns	of which: collective writedowns	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale and disposal group	of which: specific writedowns	of which: collective writedowns						
Overall value adjustments, opening balance	238	1,710,795	-	62,034	833,984	939,083	764	-	-	-	762	12,388	20,925	108,241	8,082	2,398,528	
Increase in purchased or originated financial assets	-	290,720	-	-	126,365	164,356	X	X	X	X	X	20,346	5,685	671	-	1,012,492	
Derecognition different from write-off	-	(484,691)	-	-	(143,386)	(341,305)	(2,563)	-	-	-	(2,563)	(1,197)	(2,795)	(8,743)	-	(527,643)	
Net losses (recoverise) on impairment	(3)	452,779	1,356	17,011	159,055	312,089	4,034	-	-	-	4,034	(6,619)	12,450	5,314	(8,073)	371,619	
Modification gains/losses	-	(1,512)	-	5	(1,308)	(199)	-	-	-	-	-	-	-	-	-	(1,466)	
Change in evaluation methodology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Write-off	-	(224,408)	-	(488)	(83,966)	(140,930)	(3,553)	-	-	-	(3,553)	-	-	-	-	(228,678)	
Others	-	(58,679)	1,331	92,559	(24,720)	59,931	94,143	-	-	-	94,143	5,232	(5,585)	387	-	200,467	
Overall value adjustments, closing balance	235	1,685,004	2,687	171,121	866,024	993,025	92,825	-	-	-	92,823	30,150	30,680	105,870	9	3,225,319	
Recoveries from collections of financial assets subject to write-off	-	10,054	-	-	4,835	5,219	158	-	-	158	-	-	-	-	-	10,212	
Write-off recognised through income statements	-	(3,829)	-	-	(3,754)	(74)	(58)	-	-	-	(58)	-	-	-	-	(4,535)	

During the 2025 financial year total impairment provisions, net of increases due to the recognition of the financial assets of the Mediobanca Group following the acquisition and amounting to EUR 1,012.5 mln, decreased of approximately EUR 185.7 mln compared to 1 January 2025, mainly due to the reduction of value adjustments of financial assets carried at amortised cost. In particular, with reference to this accounting portfolio, the following items contributed to this trend in the line:

- for “Derecognition different from write-offs” a reduction in provisions for a total of EUR 513.9 mln, mainly attributable to the deconsolidation of the non-performing positions included in the sale of loan portfolios transactions and certain individual disposals;
- for “Write-offs not recognised directly in the income statement”, a reduction in provisions for non-performing loans for a total of EUR 228.2 mln, almost entirely related to Stage 3 positions and Purchased or originated impaired loans (POCI). Note that the derecognitions not covered by provisions have generated an income statement impact of EUR 4.5 mln;
- for “Net losses (recoveries) on impairment”, a net increase in provisions of EUR 350.2 mln, of which EUR 452.8 mln referred to stage 3. The main factors that affected this latter performance include inter alia the other adjustments related to the disposals of non-performing loans carried out during the year, to management overlays and to the update of the IFRS 9 PD and LGD models. In this regard, reference is made for further details to paragraph “2.3 Methods to measure expected losses” of these Notes to the consolidated financial statements.

A.1.3 Prudential Consolidation - Financial assets, commitments to disburse funds and financial guarantees issued: transfers among the different stages of credit risk (gross and nominal values)

Portfolio/Staging	Gross value /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	4,408,716	3,079,658	588,923	259,847	333,187	13,902
2. Financial assets measured at fair value through other comprehensive income	-	50,190	3,896	-	-	-
3. Financial assets held for sale	-	(1,276)	6,106	-	4,332	-
4. Commitments to disburse funds and financial guarantees issued	1,226,256	1,514,518	76,704	18,824	36,161	12,915
Total 31 12 2025	5,634,972	4,643,090	675,629	278,671	373,680	26,817
Total 31 12 2024	8,080,271	3,562,557	920,656	166,023	489,750	12,926

A.1.4 Prudential consolidation – Balance sheet and off-balance sheet credit exposure to banks: gross and net values

Portfolio/quality	Gross exposures					Impairment (losses) and total provisions					Net Exposure	Total Partial Write-off*
	Total gross exposure	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	Total impairment (losses) and total provisions	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
A. Balance-sheet exposure												
A.1 On Demand	14,642,168	14,641,811	-	357	-	(427)	(192)	-	(235)	-	14,641,741	-
a) Non-Performing	357	X	-	357	-	(235)	X	-	(235)	-	122	-
b) Performing	14,641,811	14,641,811	-	X	-	(192)	(192)	-	X	-	14,641,618	-
A.2 Others	11,768,808	9,587,230	5	14,412	1	(10,096)	(804)	-	(9,292)	-	11,758,712	-
a) Bad loans	-	X	-	-	-	-	X	-	-	-	-	-
- of which forborne	-	X	-	-	-	-	X	-	-	-	-	-
b) Unlikely to pay	14,412	X	-	14,412	-	(9,292)	X	-	(9,292)	-	5,120	-
- of which forborne	13,608	X	-	13,608	-	(8,782)	X	-	(8,782)	-	4,826	-
c) Past-due non-performing exposures	-	X	-	-	-	-	X	-	-	-	-	-
- of which forborne	-	X	-	-	-	-	X	-	-	-	-	-
d) Past-due performing exposures	397	395	2	X	-	-	-	-	X	-	397	-
- of which forborne	-	-	-	X	-	-	-	-	X	-	-	-
e) Other assets not impaired	11,753,999	9,587,230	3	X	1	(804)	(804)	-	X	-	11,753,195	-
- of which forborne	-	-	-	X	-	-	-	-	X	-	-	-
Total A	26,410,976	24,229,436	5	14,769	1	(10,523)	(996)	-	(9,527)	-	26,400,452	-
B. Off-balance-sheet exposure	-	-	-	-	-	-	-	-	-	-	-	-
a) Performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Non performing	12,124,707	218,149	-	X	-	(176)	(176)	-	X	-	12,124,531	-
Total B	12,124,707	218,149	-	-	-	(176)	(176)	-	-	-	12,124,531	-
Total (A+B)	38,535,683	24,447,585	5	14,769	1	(10,699)	(1,172)	-	(9,527)	-	38,524,983	-

* Value to be presented for disclosure purposes

A.1.5 Prudential consolidation – Balance sheet and off-balance sheet credit exposure to customers: gross and net values

Portfolio/quality	Gross exposures					Impairment (losses) and total provisions					Net Exposure	Total Partial Write-off*
	Total gross exposure	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	Total impairment (losses) and total provisions	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired		
A. Balance-sheet exposure												
a) Bad loans	1,165,622	X	-	1,128,603	33,939	(713,454)	X	-	(708,696)	(4,537)	452,168	221,341
- of which forborne	225,241	X	-	219,712	5,372	(139,246)	X	-	(136,123)	(3,043)	85,995	59,123
b) Unlikely to pay	2,389,646	X	-	2,176,170	209,201	(1,028,647)	X	-	(974,932)	(51,129)	1,360,999	115,254
- of which forborne	1,101,816	X	-	946,450	154,296	(431,331)	X	-	(380,665)	(50,346)	670,485	38,049
c) Past due non performing exposures	330,118	X	-	305,321	24,783	(185,285)	X	-	(165,894)	(19,390)	144,833	1,416
- of which forborne	48,160	X	-	26,026	22,134	(37,553)	X	-	(19,004)	(18,549)	10,607	270
d) Past-due performing exposures	764,265	455,901	307,843	X	520	(78,765)	(1,982)	(76,601)	X	(182)	685,500	67
- of which forborne	23,557	-	23,499	X	58	(2,438)	-	(2,428)	X	(10)	21,119	-
e) Other assets not impaired	175,516,589	151,090,846	11,979,457	X	131,107	(1,044,693)	(486,720)	(540,386)	X	(17,588)	174,471,896	3,954
- of which forborne	1,139,569	-	1,066,093	X	73,476	(88,348)	-	(77,097)	X	(11,251)	1,051,221	702
Total A	180,166,240	151,546,747	12,287,300	3,610,094	399,550	(3,050,844)	(488,702)	(616,987)	(1,849,522)	(92,826)	177,115,396	342,032
B. Off-balance-sheet exposure												
a) performing	555,630	X	-	548,130	7,500	(105,871)	X	-	(105,871)	-	449,759	-
b) Non performing	70,765,410	57,701,338	1,094,060	X	3,917	(68,563)	(30,037)	(30,821)	X	(10)	70,696,847	-
Total B	71,321,040	57,701,338	1,094,060	548,130	11,417	(174,434)	(30,037)	(30,821)	(105,871)	(10)	71,146,606	-
Total (A+B)	251,487,280	209,248,085	13,381,360	4,158,224	410,967	(3,225,278)	(518,739)	(647,808)	(1,955,393)	(92,836)	248,262,002	342,032

* Value to be presented for disclosure purposes

Please see the Report on Operations for quantification of and reporting on capital ratios for hedging of lending relationships.

For further detail on purchased or originated impaired financial assets as at 31 December 2025, please refer to paragraph 3.4 “Purchased or originated impaired financial assets”, section 2 “Risks on prudential consolidation” Part E of these Notes to the consolidated financial statements.

A.1.6 Prudential consolidation – Balance sheet credit exposure to banks: changes in gross non-performing loans

31 12 2025

Source/Categories	Bad loans	Unlikely to pay	Non-performing Past due
A. Gross exposure, opening balance	-	14,777	-
- of which: transferred but not derecognised	-	-	-
B. Increases	-	-	-
B.1 Transfers from performing loans	-	-	-
B.2 Transfers from purchased or originated credit impaired financial assets	-	-	-
B.3 Transfers from other non-performing loans	-	-	-
B.4 Modification gains/losses	-	-	-
B.3 Other increases	-	-	-
C. Decreases	-	8	-
C.1 transfers to performing loans	-	-	-
C.2 write-offs	-	-	-
C.3 collections	-	8	-
C.4 amounts realised upon disposal of positions	-	-	-
C.5 Losses from disposal	-	-	-
C.6 transfers to other categories of non-performing exposure	-	-	-
C.7 Modification gains/losses	-	-	-
C.8 other decreases	-	-	-
D. Gross exposure, closing balance	-	14,769	-
- of which: transferred but not derecognised	-	-	-

A.1.6bis Prudential consolidation – Balance sheet credit exposure to banks: changes in gross forbore exposure broken down by credit quality

31 12 2025

Source/Categories	Non performing forborne exposures	Performing forbore exposures
A. Goss exposure, opening balance	-	-
- of which: transferred but not derecognised	-	-
B. Increases	13,608	-
B.1 Transfers from performing loans	-	-
B.2 Transfers from performing forbore exposures	-	X
B.3 Transfers from Non-performing forbore exposures	X	-
B.4 Other increases	13,608	-
C. Decreases	-	-
C.1 Transfers to performing loans	X	-
C.2 Transfers to performing forbore exposures	-	X
C.3 Transfers to non-performing forbore exposures	X	-
C.4 Write-offs	-	-
C.5 Collections	-	-
C.6 Amounts realised upon disposal of positions	-	-
C.7 Losses from disposal	-	-
C.8 Other decreases	-	-
D. Gross exposure, closing balance	13,608	-
- of which: transferred but not derecognised	-	-

A.1.7 Prudential consolidation – Balance sheet credit exposure to customers: changes in gross non-performing loans

31 12 2025

Source/Categories	Bad loans	Unlikely to pay	Non-performing Past due
A. Gross exposure, opening balance	1,323,533	2,241,573	99,040
- of which: transferred but not derecognised	-	-	-
B. Increases	557,038	1,423,669	384,368
B.1 Transfers from performing loans	83,360	765,588	40,235
B.2 Transfers from purchased or originated credit impaired financial assets	44,725	382,834	250,212
B.3 Transfers from other non-performing loans	377,243	45,356	2,758
B.4 Modification gains/losses	-	305	-
B.5 other increases	51,710	229,586	91,163
C. Decreases	714,949	1,275,596	153,289
C.1 transfers to performing loans	816	274,957	17,543
C.2 write-offs	158,852	45,867	31,218
C.3 collections	240,341	417,349	39,931
C.4 amounts realised upon disposal of positions	69,605	98,660	3,565
C.5 Losses from disposal	1,925	7,313	648
C.6 transfers to other categories of non-performing exposure	2,104	368,869	54,383
C.7 Modification gains/losses	-	4,021	-
C.8 other decreases	241,306	58,560	6,001
D. Gross exposure, closing balance	1,165,622	2,389,646	330,119
- of which: transferred but not derecognised	1,563	41,331	26,723

The line item Other decreases, amounting to a total of EUR 305.8 mln, is attributable for EUR 275.7 mln to non-performing exposures subject to disposal during the year, of which EUR 220.3 mln is classified as bad loans and EUR 55.4 mln as unlikely to pay.

With reference to bad loans, 6% of payments, almost entirely related to Parent Company's positions, received are from judicial collections, 16% from out-of-court settlements, 16% from property leasing sales, and 62% from enforcement of consortium guarantees (first-demand); in addition, around EUR 66.1 mln relating to collections from disposal.

For details of impaired loans acquired through business combinations, please refer to paragraph "3.4 Impaired financial assets acquired or originated" in Section 2 Risks of the Prudential Consolidated - Credit Quality, Part E of these Notes to Consolidated financial statements.

A.1.7bis Prudential consolidation – Balance sheet credit exposure to customers: changes in gross forborne exposure broken down by credit quality

31 12 2025

Source/Categories	Non-performing forborne exposures	Performing forborne exposures
A. Gross exposure, opening balance	1,239,440	1,081,988
<i>of which: transferred but not derecognised</i>	-	-
B. Increases	725,485	811,443
B.1 Transfers from performing loans	89,424	189,342
B.2 Transfers from performing forborne exposures	155,874	X
B.3 Transfers from Non-performing forborne exposures	X	180,875
B.4 Transfers from Non-performing exposures	103,405	685
B.5 Other increases	376,782	440,541
C. Decreases	589,706	730,305
C.1 Transfers to performing loans	X	286,275
C.2 Transfers to performing forborne exposures	204,472	X
C.3 Transfers to non-performing forborne exposures	X	155,874
C.4 Write-offs	40,822	204
C.5 Collections	204,498	260,552
C.6 Amounts realised upon disposal of positions	43,570	5
C.7 Losses from disposal	1,359	-
C.8 Other decreases	94,985	27,395
D. Gross exposure, closing balance	1,375,219	1,163,126
<i>- of which: transferred but not derecognised</i>	22,875	25,131

A.1.8 Prudential consolidation – Non-performing balance-sheet credit exposure to banks: changes in overall value adjustments

31 12 2025

Source/Categories	Bad loans		Unlikely to pay		Non-performing Past due	
	Total	of which forborne	Total	of which forborne	Total	of which forborne
A. Opening balance of overall adjustments	-	-	6,625	-	-	-
- of which: transferred but not derecognised	-	-	-	-	-	-
B. Increases	-	-	2,906	8,782	-	-
B.1 Net impairment of purchased or originated impaired financial assets	-	X	-	X	-	X
B.2 Other value adjustments	-	-	2,906	2,906	-	-
B.3 Loss from disposal	-	-	-	-	-	-
B.4 Transfers from other categories of non-performing exposures	-	-	-	-	-	-
B.5 Modification gains/losses	-	-	-	-	-	-
B.6 Other increases	-	-	-	5,876	-	-
C. Decreases	-	-	4	-	-	-
C.1 Write-backs from valuation	-	-	4	-	-	-
C.2 Write-backs from collection	-	-	-	-	-	-
C.3 Profit from disposal	-	-	-	-	-	-
C.4 Write-offs	-	-	-	-	-	-
C.5 Transfers to other categories of non-performing exposure	-	-	-	-	-	-
C.6 Modification gains/losses	-	-	-	-	-	-
C.7 Other decreases	-	-	-	-	-	-
D. Closing balance of overall adjustments	-	-	9,527	8,782	-	-
- of which: transferred but not derecognised	-	-	-	-	-	-

A.1.9 Prudential consolidation – Non-performing balance-sheet credit exposure to customers: changes in overall value adjustments

31 12 2025

Source/Categories	Bad loans		Unlikely to pay		Non-performing Past due	
	Total	of which forborne	Total	of which forborne	Total	of which forborne
A. Opening balance of overall adjustments	878,237	159,891	869,738	341,780	25,974	1,173
- of which: transferred but not derecognised	-	-	-	-	-	-
B. Increases	362,222	66,623	710,997	289,539	227,490	45,486
B.1 Net impairment of purchased or originated impaired financial assets	7,460	X	190,721	X	171,148	X
B.2 Other value adjustments	191,486	35,410	425,915	227,596	53,062	42,825
B.3 Loss from disposal	985	311	7,313	986	648	62
B.4 Transfers from other categories of non-performing exposures	158,895	27,526	19,595	5,307	232	469
B.5 Modification gains/losses	-	X	75	X	-	X
B.6 Other increases	3,396	3,376	67,378	55,650	2,400	2,130
C. Decreases	527,005	87,268	552,088	199,988	68,179	9,106
C.1 Write-backs from valuation	67,267	9,589	82,871	20,222	4,759	217
C.2 Write-backs from collection	56,783	11,014	92,752	56,220	6,132	1,653
C.3 Profit from disposal	2,731	554	9,790	2,786	1,656	346
C.4 Write-offs	171,899	20,557	64,168	20,552	11,321	1,632
C.5 Transfers to other categories of non-performing exposure	1,764	392	154,280	27,789	22,677	5,121
C.6 Modification gains/losses	-	X	1,542	X	-	X
C.7 Other decreases	226,561	45,162	146,685	72,419	21,634	137
D. Closing balance of overall adjustments	713,454	139,246	1,028,647	431,331	185,285	37,553
- of which: transferred but not derecognised	1,559	282	26,387	9,033	20,489	2,802

The line “Other decreases in non-performing assets”, amounting to EUR 394.8 mln refers mainly to the closing of provisions referring to the non-performing exposures sold in 2025, of which EUR 220.3 mln classified as bad loans and EUR 55.4 mln classified as unlikely to pay exposure.

Exposure to sovereign debt risk

Below are the net sovereign credit risk exposures in government bonds, loans and credit derivatives held by the Group as at 31 December 2025, pursuant to the criteria of the European Securities and Markets Authority (ESMA).

The exposure is broken down by accounting categories. For securities classified as “Financial assets measured at amortised cost” and “Loans”, the book value (amortised cost) is also reported.

(Eur million)

COUNTRY	DEBT SECURITIES				LOANS	CREDIT DERIVATIVES
	Financial assets measured at fair value through profit or loss		Financial assets measured at fair value through other comprehensive income		Financial assets measured at amortised cost	Financial assets held for trading
	Nominal	Fair value=book value	Nominal	Fair value=book value	Book value	Nominal
Saudi Arabia						1,3
Argentina	0,4	-	-	-	-	-
Belgium	-	-	424,7	411,5	75,0	-
Finland	52,5	52,7	-	-	-	-
France	942,2	636,2	780,0	583,3	626,9	185,5
Germany	-	-	300,0	306,1	42,9	223,6
Indonesia						5,0
Italy	3.856,7	3.691,7	3.354,6	3.437,8	11.640,1	1.144,0
Luxembourg	42,6	42,9				
Mexico	0,1	-	15,0	12,2	-	-
Holland	15,0	6,0	-	-	-	-
Perù	-	-	2,0	1,7	-	-
Portugall	0,3	0,2	75,0	75,1	2,7	-
United Kingdom	15,5	-	-	-	-	-
Romania	20,0	20,7	30,0	27,3	-	-
Spain	42,9	36,7	-	-	634,9	-
United States	170,2	167,1	400,0	336,9	366,1	0,4
South Africa	-	-	5,0	5,1	-	-
Hungary	-	-	-	-	-	0,9
Total 31 12 2025	5.158,4	4.654,2	5.386,3	5.197,0	13.388,6	1.560,7
Total 31 12 2024	1.841,2	1.573,2	1.691,7	1.589,7	9.087,5	1.475,9

Details on the Group's exposure is presented taking into consideration that, according to instructions from the European Securities and Markets Authority (ESMA), “sovereign debt” is defined as bonds issued by central and local Governments and by government Entities, as well as loans disbursed to aforementioned entities.

These financial instruments were measured according to the standards applicable to the category to which they belong.

As at 31 December 2025, the residual duration of the exposure to the most significant component of sovereign debt (debt securities on Italy) is 7.55 years. The overall exposure to loans and debt securities amounts to EUR 24,638.7 mln, mainly held with respect to Italy, and is concentrated in the portfolio of financial assets measured at amortised cost. Exposures to Italy are almost entirely classified in level 1 of the fair value hierarchy, less EUR 365.0 mln classified in level 2 and mainly attributable to government Securities.

Following are the details of reserves on securities measured at fair value through other comprehensive income and of Italian credit derivatives (in EUR/mIn):

Securities measured at fair value through other comprehensive income: Italy	31 12 2025	31 12 2024
Book value	3,437.8	1,451.9
O.C.I. reserve (after tax)	26.3	(19.2)
of which: hedging effect (after tax)	-	0.1

Credit derivatives - Italy	31 12 2025	31 12 2024
Purchase of protection		
Nominal	(92.0)	(79.8)
Positive fair value	-	-
Negative fair value	(6.5)	(4.7)
Sale of protection	-	-
Nominal	1,231.8	1,555.7
Positive fair value	-	-
Negative fair value	(14.1)	(45.0)

A.2 Classification of exposures by external and internal ratings

A.2.1 Prudential consolidation – Breakdown of financial assets, commitments to disburse funds and financial guarantees issued by external rating class (gross values)

31 12 2025

Exposures	External class rating						No rating	Total
	class 1	class 2	class 3	class 4	class 5	class 6		
A. Financial assets measured at amortised cost	1,843,525	8,968,073	17,351,260	2,192,097	193,170	28,375	139,825,985	170,402,485
- Stage 1	1,839,048	8,960,761	17,319,267	1,452,209	148,900	22,685	124,655,090	154,397,960
- Stage 2	4,477	7,312	31,993	735,587	44,270	5,690	11,444,509	12,273,838
- Stage 3	-	-	-	4,301	-	-	3,326,835	3,331,136
- Purchased or originated impaired financial assets	-	-	-	-	-	-	399,551	399,551
B. Financial assets measured at fair value through other comprehensive income	1,748,952	722,751	3,864,865	115,622	-	-	129,878	6,582,068
- Stage 1	1,748,952	722,751	3,864,865	115,622	-	-	125,982	6,578,172
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	3,896	3,896
- Purchased or originated impaired financial assets	-	-	-	-	-	-	-	-
C. Financial assets held for sale	-	53	10,658	25,178	12,822	42,125	370,344	461,180
- Stage 1	-	53	10,658	24,341	10,077	-	113,108	158,237
- Stage 2	-	-	-	184	1,235	-	12,048	13,467
- Stage 3	-	-	-	653	1,510	42,125	245,188	289,476
- Purchased or originated impaired financial	-	-	-	-	-	-	-	-
Total (A+B+C)	3,592,477	9,690,877	21,226,783	2,332,897	205,992	70,500	140,326,207	177,445,733
D. Commitments to disburse funds and financial guarantees given	564,916	1,858,828	11,138,272	1,764,095	168,310	21,515	44,438,066	59,954,002
- Stage 1	564,916	1,858,828	11,130,272	1,723,917	163,295	21,380	42,840,748	58,303,356
- Stage 2	-	-	8,000	40,000	5,015	-	1,038,084	1,091,099
- Stage 3	-	-	-	178	-	135	547,816	548,129
- Purchased or originated impaired financial assets	-	-	-	-	-	-	11,418	11,418
8 Total (A+B+C+D)	4,157,393	11,549,705	32,365,055	4,096,992	374,302	92,015	184,764,273	237,399,735

class 1=AAA/AA- class 2=A+/A- class 3=BBB+/BBB- class 4=BB+/BB- class 5=B+/B- class 6=lower than B-

The external rating categories used to complete the table are from Standard & Poor's. On-balance-sheet exposures taken into account are those in Table A.1.2 "Breakdown of financial assets by portfolio and credit quality" above, while off-balance-sheet exposures are those in Tables A.1.4 (exposures to banks) and A.1.5 (exposures to customers). If multiple external ratings are assigned, the rating is selected based on Bank of Italy's criteria (when two ratings are available, the lower of the two is used, and when three or more ratings are assigned, the second highest rating is selected). To ensure relevance of information, internal cross-reference tables were used to convert classification by various rating agencies into classification by Standard & Poor's.

A.2.2 Prudential consolidation – Breakdown of financial assets, commitments to disburse funds and financial guarantees issued per internal rating class (gross values)

31 12 2025

Exposures	Internal Class rating							No rating	Total
	High quality	Average quality	Fair quality	Mediocre quality	Poor quality	Default	Group administrative default		
A. Financial assets measured at amortised cost	33,510,340	34,682,481	36,133,720	17,350,937	941,854	3,880,418	-	43,902,735	170,402,485
- Stage 1	33,229,766	33,892,642	32,999,313	11,553,029	77,872	-	-	42,645,338	154,397,960
- Stage 2	280,572	789,831	3,121,422	5,715,171	848,673	-	-	1,518,169	12,273,838
- Stage 3	-	-	-	-	-	3,750,418	-	(419,282)	3,331,136
- Purchased or originated impaired financial assets	2	8	12,985	82,737	15,309	130,000	-	158,510	399,551
B. Financial assets measured at fair value through other comprehensive income	1,235,527	667,271	2,897,446	60,351	-	3,896	-	1,717,577	6,582,068
- Stage 1	1,235,527	667,271	2,897,446	60,351	-	-	-	1,717,577	6,578,172
- Stage 2	-	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	3,896	-	-	3,896
- Purchased or originated impaired financial assets	-	-	-	-	-	-	-	-	-
C. Financial assets held for sale	-	-	-	-	-	229,287	-	231,894	461,181
- Stage 1	-	-	-	-	-	-	-	158,237	158,237
- Stage 2	-	-	-	-	-	-	-	13,468	13,468
- Stage 3	-	-	-	-	-	229,287	-	60,189	289,476
- Purchased or originated impaired financial	-	-	-	-	-	-	-	-	-
Totale(A+B+C)	34,745,867	35,349,752	39,031,166	17,411,288	941,854	4,113,601	-	45,852,206	177,445,734
D. Commitments to disburse funds and financial guarantees given	14,664,462	10,441,076	15,643,526	2,391,229	38,104	555,339	-	16,220,265	59,954,001
- Stage 1	14,588,815	10,271,367	15,284,472	1,984,886	18,270	-	-	16,155,546	58,303,356
- Stage 2	75,647	169,709	359,054	402,426	19,834	-	-	64,429	1,091,099
- Stage 3	-	-	-	-	-	547,839	-	290	548,129
- Purchased or originated impaired financial assets	-	-	-	3,917	-	7,500	-	-	11,417
Total (A+B+C+D)	49,410,329	45,790,828	54,674,692	19,802,517	979,958	4,668,940	-	62,072,471	237,399,735

High Quality customers (Master Scale categories AAA and A1) Good Quality customers (Master Scale categories A2, A3 and B1) Fair Quality customers (Master Scale categories B2, B3, C1 and C2) Mediocre Quality customers (Master Scale categories C3, D1, D2 and D3) Poor Quality customers (Master Scale categories E1, E2 and E3)

The table provides a breakdown of customers of the MPS Group by risk categories assigned on the basis of ratings arising from internal models. For this purpose, account is given only of exposures (borrowers) for which an internal rating is periodically recorded for models/legal entities/portfolios which have been subject to a validation process with the Supervisory Authority without any cross-reference from official ratings to internal ratings, especially with regard to the following customer segments: "Banks," "Non-banking financial institutions," and "Governments and Public Administration". Thus, based on this provision, exposures related to the latter segments, even if covered by official ratings, were reported as "unrated" in the internal rating models.

A.3 Breakdown of secured credit exposures by type of collateral

A.3.1 Prudential consolidation – Balance sheet and off-balance sheet secured credit exposure to banks

31 12 2025

	Gross exposures	Net exposures	Collaterals				Personnel guarantees								Total collaterals and personnel guarantees	
							Credit derivatives				Unsecured signature loans					
			Real estate mortgages	Real estate leasing	Securities	Other collaterals	CLN	Other derivatives			Public Entities	Banks	Other financial entities	Other entities		
								Central counterparties	Banks	Other financial entities						
1. Secured balance-sheet exposures	4,802,370	4,802,340	736	-	4,750,641	417	-	-	-	-	-	-	-	-	7,604	4,759,398
1.1 totally secured	4,787,621	4,787,592	736	-	4,750,641	417	-	-	-	-	-	-	-	-	-	4,751,794
- of which non-performing	4	4	-	-	-	4	-	-	-	-	-	-	-	-	-	4
1.2 Partially secured	14,749	14,748	-	-	-	-	-	-	-	-	-	-	-	-	7,604	7,604
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1. Secured off-balance sheet exposures	207,503	207,503	-	-	-	194,228	-	-	-	-	-	-	-	-	-	194,228
1.1 totally secured	16	16	-	-	-	16	-	-	-	-	-	-	-	-	-	16
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.2 Partially secured	207,487	207,487	-	-	-	194,212	-	-	-	-	-	-	-	-	-	194,212
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

In addition to balance-sheet exposures, the table shows the amount of off-balance-sheet exposures to banks (including derivative contracts with banks) which are fully or partially secured. As regards personal guarantees, the economic segments to which guarantors and sellers of protection belong (in the case of unsecured loans and credit derivatives, respectively) are identified making reference to the classification criteria provided for in the brochure “classification of customers by segments and groups of economic activity” published by the Bank of Italy.

Exposures are classified as either “totally secured” or “partially secured” by comparing the gross exposure with the amount of the guarantee established in the contract; for that purpose, any supplemental guarantees are also considered.

The fair value of collaterals estimated as at the reporting date is shown in the columns “Collaterals” and “Personal guarantees” or, if such information is not available, the contractual value is reported. Please note that both values may not be higher than the book value of secured exposures, in line with the Bank of Italy Circular 262.

A.3.2 Prudential consolidation – Balance sheet and off-balance sheet secured credit exposure to customers

31 12 2025

	Gross exposures	Net exposures	Collaterals				Personnel guarantees										Total callaterals and personnel guarantees
							Credit derivatives					Unsecured signature loans					
			Real estate mortgages	Real estate leasing	Securities	Other collaterals	CLN	Other derivatives				Public Entities	Banks	Other financial entities	Other entities		
Central counterparties	Banks	Other financial entities						Other entities									
1. Secured balance-sheet exposures	96,580,111	94,858,564	54,818,924	1,694,041	15,267,573	3,093,766	-	-	-	-	-	7,513,823	58,001	1,299,136	7,236,256	90,981,520	
1.1 totally secured	86,208,065	84,661,153	54,247,673	1,694,041	14,517,103	2,959,317	-	-	-	-	-	4,037,131	57,558	887,523	5,174,930	83,575,276	
- of which non-performing	2,501,194	1,331,072	870,486	86,835	7,288	30,111	-	-	-	-	-	231,526	3	8,743	87,605	1,322,597	
1.2 Partially secured	10,372,046	10,197,411	571,251	-	750,470	134,449	-	-	-	-	-	3,476,692	443	411,613	2,061,326	7,406,244	
- of which non-performing	341,914	209,368	704	-	4,109	334	-	-	-	-	-	125,242	-	3,729	19,577	153,695	
2. Secured off-balance sheet exposures	18,799,247	18,759,143	510,534	16,469	9,161,499	2,531,898	-	-	-	-	-	1,111,255	10,895	390,625	4,137,763	17,870,938	
1.1 totally secured	16,333,682	16,300,366	500,094	16,469	9,141,231	1,674,826	-	-	-	-	-	615,234	10,892	352,398	3,791,976	16,103,120	
- of which non-performing	81,831	71,202	3,723	3,152	1,364	3,150	-	-	-	-	-	3,381	-	1,282	55,150	71,202	
1.2 Partially secured	2,465,565	2,458,777	10,440	-	20,268	857,072	-	-	-	-	-	496,021	3	38,227	345,787	1,767,818	
- of which non-performing	43,734	38,610	-	-	124	2,016	-	-	-	-	-	10,526	-	372	14,355	27,393	

In addition to balance-sheet exposures to customers, the table shows the amount of off-balance-sheet exposures, including derivative contracts with customers, which are fully or partially secured. As regards personal guarantees, the economic segments to which guarantors and sellers of protection belong (in the case of unsecured loans and credit derivatives, respectively) are identified making reference to the classification criteria provided for in the brochure “classification of customers by segments and groups of economic activity” published by the Bank of Italy. Exposures are classified as either “totally secured” or “partially secured” by comparing the gross exposure with the amount of the guarantee established in the contract; for that purpose, any supplemental guarantees are also considered.

The fair value of collaterals estimated as at the reporting date is shown in the columns “Collaterals” and “Personal guarantees” or, if such information is not available, the contractual value is reported. Please note that both values may not be higher than the book value of secured exposures, in line with the Bank of Italy Circular 262.

A.4 Prudential consolidation – Financial and non-financial assets obtained through enforcement of guarantees received

	Derecognised credit exposure	Gross Value	Impairment (losses)	Book value	
					of which: obtained during the year
A. Tangible assets	100,878	105,984	42,614	63,370	20
A.1. Used in the business	76	200	-	200	-
A.2. Held for investments	89,291	94,273	41,040	53,233	-
A.3. Inventories	11,511	11,511	1,574	9,937	20
B. Equity instruments and Debt securities	24,214	24,214	2,142	22,072	-
C. Other assets	-	-	-	-	-
D. Non current assets and group of assets held for sale	-	-	-	-	-
D.1. Property, plant and equipment	-	-	-	-	-
D.2. Other assets	-	-	-	-	-
Total 31 12 2025	125,092	130,198	44,756	85,442	20
Total 31 12 2024	73,619	78,600	23,314	55,286	3,882

The “Financial and non-financial assets obtained through enforcement of guarantees received” shown in the table above include assets:

- resulting from non-redemption of assets in leasing and termination of non-performing finance lease agreements;
- resulting from datio in solutum.

As at 31 December 2025, the Group held financial instruments with a book value of EUR 13.0 mln (EUR 24.2 mln as at 31 December 2024), classified in the accounting portfolio of “Financial assets mandatorily measured at fair value”, which represent financial assets not previously granted by the debtor as collateral for pre-existing loans granted, but acquired as part of bilateral agreements with the latter, as a result of which the Group arranged for the derecognition of the related credit exposure.

B. Breakdown and concentration of credit exposures

B.1 Prudential consolidation - Breakdown of balance sheet and off-balance sheet credit exposures to customers by business segment

Exposures/Counterparties	Public entities		Financial companies		Financial companies: of which insurance companies		Non-financial companies		Families	
	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)
A. Balance sheet exposure										
A.1 Bad loans	18	15	3,598	1,012	-	-	308,328	545,099	140,225	167,328
- of which: forborne	-	-	125	181	-	-	55,886	94,718	29,984	44,348
A.2 Unlikely to pay	8,417	4,883	6,079	26,110	-	-	706,934	601,563	639,569	396,092
- of which: forborne	1,725	1,201	1,624	8,656	-	-	302,126	252,565	365,012	168,909
A.3 Past-due nonperforming	975	517	110	192	-	-	52,475	14,102	91,273	170,474
- of which: forborne	-	-	-	-	-	-	2,138	1,586	8,469	35,967
A.4 Performing exposures	31,301,474	12,611	23,431,667	13,331	1,228,456	-	51,387,792	395,349	69,036,462	702,167
- of which: forborne	19,722	386	20,192	662	-	-	537,146	34,811	495,280	54,927
Total A	31,310,884	18,026	23,441,454	40,645	1,228,456	-	52,455,529	1,556,113	69,907,529	1,436,061
B. Off-balance-sheet exposures										
B.1 Non performing exposures	-	-	506	180	-	-	439,341	104,855	9,912	836
B.2 Performing exposures	10,451,464	92	19,402,172	1,186	1,240,265	-	35,381,175	51,853	5,451,458	15,432
Totale B	10,451,464	92	19,402,678	1,366	1,240,265	-	35,820,516	156,708	5,461,370	16,268
Total (A+B) 31 12 2025	41,762,348	18,118	42,844,132	42,011	2,468,721	-	88,276,045	1,712,821	75,368,899	1,452,329
Total (A+B) 31 12 2024	19,338,552	16,199	22,225,041	11,976	325,216	-	58,774,761	1,767,388	36,112,456	610,071

B.2 Prudential consolidation - Breakdown of on- and off-balance-sheet exposures to customers by geographic area

Exposures/Geographic Areas	ITALY		OTHER EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)
A. Balance sheet exposure										
A.1 Bad loans	429,302	662,582	15,333	48,240	7,533	2,624	-	-	1	8
A.2 Unlikely to pay	1,352,690	1,010,695	6,870	17,001	342	227	404	555	694	168
A.3 Past-due nonperforming	94,263	183,165	23,724	1,535	7,937	311	840	167	18,069	107
A.4 Performing exposures	150,869,720	1,101,123	19,616,169	16,766	3,405,526	3,635	360,994	1,468	904,986	467
Total A	152,745,975	2,957,565	19,662,096	83,542	3,421,338	6,797	362,238	2,190	923,750	750
B. Off-balance-sheet exposures										
B.1 Non performing exposures	449,392	105,871	30	-	-	-	338	-	-	-
B.2 Performing exposures	54,249,242	65,111	14,743,407	3,179	1,269,308	207	108,142	16	316,170	50
Total B	54,698,634	170,982	14,743,437	3,179	1,269,308	207	108,480	16	316,170	50
Total (A+B) 31 12 2025	207,444,609	3,128,547	34,405,533	86,721	4,690,646	7,004	470,718	2,206	1,239,920	800
Total (A+B) 31 12 2024	131,162,916	2,328,324	3,040,589	73,131	845,075	2,507	165,050	1,165	1,237,178	507

B.3 Banking Group - Breakdown of on- and off-balance-sheet exposures to banks by geographic area (book values)

Exposures/Geographic Areas	ITALY		OTHER EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)
A. Balance sheet exposure										
A.1 Bad loans	-	-	-	-	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	416	744	4,826	8,782	-	-	-	-
A.3 Past-due nonperforming	-	-	-	-	-	-	-	-	-	-
A.4 Performing exposures	17,050,375	496	8,877,013	428	123,443	12	109,524	23	234,857	37
Total A	17,050,375	496	8,877,429	1,172	128,269	8,794	109,524	23	234,857	37
B. Off-balance-sheet exposures										
B.1 Non performing exposures	-	-	-	-	-	-	-	-	-	-
B.2 Performing exposures	3,172,164	13	8,287,996	59	72,645	2	143,220	19	96,872	83
Total B	3,172,164	13	8,287,996	59	72,645	2	143,220	19	96,872	83
Total (A+B) 31 12 2025	20,222,539	509	17,165,425	1,231	200,914	8,796	252,744	42	331,729	120
Total (A+B) 31 12 2024	15,169,758	172	3,068,172	1,070	269,080	5,883	778,234	487	302,293	115

B.4 Large exposures

Item/Amount	31 12 2025	31 12 2024
a) Book value	118,163,285	108,084,090
b) Weighted value	6,529,490	2,903,086
c) Number	11	7

Regulations provide for positions to be defined as “large exposures” by making reference to credit-risk unweighted exposures.

An exposure is deemed as a “large exposure” when its amount is equal to or greater than 10% of own funds.

The increase in “Book value” for 2025 compared with 2024 is linked to the acquisition of the Mediobanca Group and is mainly due to the positive change in exposures to the State Treasury and leading banking institutions.

The increase in “Weighted value” for 2025 compared with 2024 is substantially attributable to the increase in guaranteed factoring operations (acquisition of guarantees from a leading institution) and to operations with banking institutions.

C. Securitisation transactions

Qualitative Information

Structures, processes and goals

Law 130/99 “Provisions on the securitisation of receivables” (as amended) introduced in the Italian legal system the possibility of carrying out, through specifically established Italian companies, so-called SPV – Special Purpose Vehicle, securitisation transactions that allow to “transform” illiquid financial assets, capable of generating cash flows, such as loans, in tradable assets, i.e. in bonds called Asset Backed Securities (ABS).

Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 as amended, has established a general framework for securitisation and a specific framework for simple, transparent and standardised securitisations.

The structure of a securitisation envisages the sale of the assets, recorded in the financial statements of a party (called Originator), to the Special Purpose Vehicle, which, to finance the purchase, issues bonds then placed on the market, paying the amount collected back to the transferor. The return and repayment of the securities issued are dependent on the cash flows generated by the assets sold.

With reference to securitisation transactions, for their own transactions the Montepaschi Group and Mediobanca Groups act both as originator of their own securitisations and as investor, through the subscription of third-party securitisation securities, as well as servicer of their own and third-party transactions.

In the context of own securitisations, a distinction can be made between:

- securitisation transactions placed entirely or in part on the market and originated with the aim of achieving economic benefits regarding the optimisation of the loan portfolio, the diversification of funding sources, the reduction of their cost and the matching of natural maturities for assets with those for liabilities (strictly speaking securitisations). In this context, the Parent Company currently has a securitisation transaction “with derecognition”, i.e. one that substantially transfers all the risks and rewards of the transferred portfolio;
- securitisation transactions in which the originator subscribes at the time of issue, or later, the set of liabilities issued that are aimed at diversifying and strengthening the available funding instruments, through the transformation of the transferred loans into securities that can be refinanced (self-securitisations). These transactions are part of the more general policy of strengthening the Group’s liquidity position and are not included in the disclosure of this section but in the “Liquidity risk” section.

The execution of securitisation transactions, keeping with the organisational model established at Group level for the governance and management of risks, is governed by specific internal regulations.

Montepaschi’s Structural Liquidity function establishes general practices and coordinates activities in relation to securitisation transactions. The management of the portfolio underlying these transactions is instead overseen by the Guarantees Management function.

In particular, for Montepaschi’s performing loan securitisations, the Guarantee Management function, within the Credit Portfolio Governance structure, is responsible for managing aspects and obligations associated with servicing activities and for monitoring the performance of existing transactions through monthly and quarterly reports on collections of residual principal, positions in arrears and disputed positions arising from securitisation transactions. This same function prepares the summary statements containing the data of the portfolio sold and, as part of critical situation management, it reports cases that may pose potential risks for note-holders to the relevant functions in the organisation.

For securitisations of non-performing loans, the servicing and debt collection performance control services are handled by market operators outside the Group.

Traditional securitisation transactions

As at 31 December 2025, this category included the Siena NPL 2018 Srl securitisation, carried out by the Parent Company in 2017, relating to a portfolio of non-performing loans, and securitisations arising from the integration of the Mediobanca Group. For details of the individual transactions, please refer to the following paragraphs.

Mediobanca and its subsidiaries hold a portfolio of securities deriving from third-party securitisations amounting to EUR 2,139.9 mln (EUR 1,641.8 mln as at 30 June 2025), of which EUR 1,706.7 mln are allocated to the banking book and EUR 433.2 mln to the trading book (EUR 1,291.2 mln and EUR 350.6 mln respectively as at 30 June 2025).

In 2025 the European ABS market recorded a positive performance, with issuance volumes above 2024 levels and a higher incidence of distributed transactions. On the yield side, the downward trend of recent years continued, with more marked benefits for AAA CLOs and mezzanine tranches.

In the primary market, pan-European CLOs represented the asset class with the highest volume of distributed securities, followed by UK RMBS and German auto loans. Most issues were oversubscribed, particularly mezzanine tranches, allowing issuers to tighten spreads compared with the initial guidance.

A stable European ABS market is expected in 2026, supported by contained interest rates and a context of moderate economic growth, despite persistent geopolitical tensions.

Mediobanca's banking book portfolio, equal to EUR 1,706.07 mln, remains heavily concentrated in senior securities amounting to EUR 1,685.1 mln due to higher investments in high-quality CLOs, amounting to EUR 1,304.9 mln. Investments in Irish Performing Loans amounting to EUR 37.9 mln, while exposures with underlyings NPL amounted to EUR 137.9 mln. Positions in mezzanine tranches amounted to EUR 21.6 mln, while there are no exposures to junior securities.

Mediobanca's trading book stands at EUR 433.2 mln. The senior component amounts to EUR 167.1 mln, comprising EUR 100.7 mln relating to the Transferable Custody Receipt transaction, EUR 37.9 mln in performing loan and consumer and EUR 28.5 mln in CLOs. The mezzanine component increases to EUR 266 mln, split between EUR 250.7 mln in CLOs and EUR 15.3 mln in performing loan and consumer. There are no exposures to junior tranches.

Mediobanca also has exposure to:

- CLI Holdings and CLI Holdings II 29, English-law SPVs which have respectively subscribed the share capital of Cairn Loan Investments and Cairn Loan Investments II, independent managers of European CLOs established by Polus, which, in order to comply with prudential risk retention rules, invest in the Junior tranches of the CLOs under management. As at 31 December 2025, CLI H I and CLI H II are recognised in the accounts at EUR 3.3 mln and EUR 28.8 mln respectively;
- Polus Loan Investments III, a closed-end fund compliant with the European AIFM Directive and a compartment of Polus Investment Funds ICAV (an umbrella fund under Irish law), subscribed all the profit participating notes of Polus Loan Investments III DAC, sponsor and originator of Polus-branded CLOs mainly in the European market and which, in compliance with the legislation in force, makes the related investments by way of risk retention. As at 31 December, PLI III is recognised at EUR 3.5 mln;
- Italian Recovery Fund, a closed-end Italian-law alternative investment fund managed by DeA Capital Alternative Funds SGR S.p.A., currently invested in 5 securitisation transactions (Valentine, Berenice, Cube, Este and Sunrise I) backed by NPLs of Italian banks; the EUR 30 mln commitment is currently recognised at EUR 13.9 mln, with a residual commitment of approximately EUR 1 mln;
- Negentropy RAIF – Debt Select Fund, a Luxembourg-law alternative investment fund managed by Negentropy Capital Partners Limited, for which Mediobanca acted as advisor; the fund is backed by senior tranches of NPLs and real estate loans, with a total NAV of EUR 119.8 mln, and is recognised at EUR 44.3 mln.

Synthetic securitisation transactions

The main objective of a synthetic securitisation is to free up regulatory and economic capital by reducing the credit risk of the portfolio underlying the transaction (Significant Risk Transfer-SRT). In general, it is envisaged, through the stipulation of guarantee contracts, the purchase of protection of the credit risk underlying a loan portfolio, of which the Originator retains full ownership.

Synthetic securitisations are therefore aimed at transferring the credit risk from the Originator to an external counterparty. This transfer does not entail the derecognition of assets and, therefore, assets remain in the originator's financial statements. The reference legislation for such transactions is EU Regulation 575/2013 (Capital Requirements Regulation, 'CRR'); it establishes, in art. 245, the conditions under which the Significant Risk Transfer (SRT) criterion is met, i.e. the significant transfer of risk to third parties, for prudential purposes, through real or personal credit protection. In particular, the Significant Risk Transfer must be constantly monitored during the life of the transaction, in order to verify that the criteria envisaged by the regulations are respected.

Also in accordance with regulatory requirements (art. 405 CRR), the originator must retain a portion of the net economic interest equal to at least 5% of the nominal value of the securitised portfolio. This means – within the transaction structure chosen by the Group – that at least 5% of each securitised loan is considered unsecured.

The transaction is structured with a tranching (normally Junior-J, Mezzanine-M and Senior-S tranches) that is a function of the riskiness of the portfolio.

As at the reporting date of this Annual Report, there were two synthetic securitisation transactions implemented by Montepaschi¹²⁴ in July 2021, named “Siena 2021 - RegCap-1” and “Siena 2021 - RegCap-Specialized Lending”.

The following table illustrates the main features of these operations.

Securitisation name	Securitisation Siena2021-RegCap-1			Securitisation Siena 2021-Specialised Lending		
1. Transaction characteristics						
Type of operation	Synthetic securitisation			Synthetic securitisation		
Originator/Service/Arranger/Calculation agent	Banca Monte dei Paschi di Siena S.p.a.			MPS Capital Services Banca per le Imprese S.p.A.		
Purpose of the operation	Credit risk hedging			Credit risk hedging		
Guarantee Provider	Private Investor			Private Investor		
Type of securitised assets	Loans to Corporate and SMEs			Loans to Corporate		
Quality of securitised assets	performing			performing		
Closing date	23/07/21			23/07/21		
Portfolio nominal value	755,386,943.72			817,087,257.14		
Retention rate (%)	5% of securitised loans			5% of securitised loans		
Guarantees received	Guarantee in the form of pledge on a term deposit			Guarantee in the form of pledge on a term deposit		
Legal expiring date	31/12/2040			31/12/2036		
Early termination clauses	Regulatory Event, Time Call, Clean-up Call, Tax Event			Regulatory Event, Time Call, Clean-up Call, Tax Event		
Rating Agency	N.a.			N.a.		
2. Tranching value and conditions						
	Senior	Mezzanine	Junior	Senior	Mezzanine	Junior
- Guaranteed portfolio at the closing date	650,161,596.53	51,310,000.00	16,146,000.00	577,618,564.75	37,819,037.11	72,201,071.68
- % of the portfolio guaranteed	90.60%	7.15%	2.25%	84.00%	5.50%	10.50%
- Total guaranteed	-	46,742,875.80	-	-	10,146,038.54	15,986,428.75
- Not guaranteed portfolio at the reporting date	162,437,619.46	-	-	154,962,702.99		
Breakdown of the securitised asset by geographical area						
- North Italy	32.86%			57.10%		
- Center	39.49%			34.77%		
- South and Islands	27.65%			8.13%		
Total	100.00%	0.00%	0.00%	100.00%	0.00%	0.00%
Major clients of securitised portfolio						
- Corporate	13.81%			33.71%		
- SME	86.19%					
- OTHER				66.29%		
Total	100.00%	0.00%	0.00%	100.00%	0.00%	0.00%

For the duration of each transaction, the SRT is constantly monitored in order to verify that the CRR criteria regarding the effective transfer of credit risk are met. For the purposes of calculating capital requirements, as at 31 December 2025, the Group recognises significant risk transfer on both transactions.

The aforementioned transactions are monitored by the relevant functions; if critical issues or significant changes with respect to the forecasts are identified, information is provided to Top Management. In this regard, it should be noted that early termination clauses have been formalised in the contracts, such as “time call”, “clean up call” and others that may be applied in the event of significant changes in regulatory and/or legislative provisions.

Lastly, as regards the accounting treatment, it should be noted that the aforementioned transactions were classified as financial guarantees; please refer to paragraph “Other significant accounting treatments - Purchase of protection from credit risk through financial guarantee contracts” of Part A of these Notes to the Consolidated Financial Statements. It should also be noted that the premium paid by the Group to the Investor for credit risk protection is recognised in the Income Statement under fee and commission expense. The enforcement of the financial guarantee received by the Investor upon the occurrence of contractually agreed conditions (known as credit event) relating to the securitised loans contributes to the overall determination of the Income Statement item “Net impairment (losses)/reversals for credit risk”.

¹²⁴ Mediobanca has not carried out synthetic securitisation transactions.

Quantitative Information

C.1 Banking Group - Exposures arising from major own securitisation transactions broken down by type of securitised assets and type of exposure

Quality of underlying assets/esposures	Balance- sheet exposure						Guarantee issued						Lines of credit					
	Senior		Mezzanine		Junior		Senior		Mezzanine		Junior		Senior		Mezzanine		Junior	
	Book value	Impairment (loss)/ reversals	Book value	Impairment (loss)/ reversals	Book value	Impairment (loss)/ reversals	Net exposure	Impairment (loss)/ reversals	Net exposure	Impairment (loss)/ reversals	Net exposure	Impairment (loss)/ reversals	Net exposure	Impairment (loss)/ reversals	Net exposure	Impairment (loss)/ reversals	Net exposure	Impairment (loss)/ reversals
A. Fully derecognised	700,180	(312)	13,245	(15,166)	585	(3,443)	-	-	-	-	-	-	-	-	-	-	-	-
Non performing loans	700,180	(312)	13,245	(15,166)	585	(3,443)	-	-	-	-	-	-	-	-	-	-	-	-
Mortgages loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Shipping loans	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
B. Partially derecognised	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C. Not derecognised	317,401	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SME and Corporate Mortgages (synthetic securitisation)	317,401	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,017,581	(312)	13,245	(15,166)	585	(3,443)	-	-	-	-	-	-	-	-	-	-	-	-
<i>Of which: non-performing</i>	700,180	(312)	13,245	(15,166)	585	(3,443)	-	-	-	-	-	-	-	-	-	-	-	-
<i>Of which: others</i>	317,400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

In relation to securitisation transactions with own underlying assets, the table indicates balance sheet exposures, unsecured exposures, and other forms of credit enhancement.

The table above shows, for synthetic securitisations, the amount of risk retained in transactions not derecognised from the Financial Statements.

C.2 Prudential consolidation - Exposures arising from major 'third-party' securitisation transactions broken down by type of securitised asset and type of exposure

Quality of underlying assets/esposures	Balance- sheet exposure						Guarantee issued						Lines of credit					
	Senior		Mezzanine		Junior		Senior		Mezzanine		Junior		Senior		Mezzanine		Junior	
	Book value	Impairment (loss)/ reversals	Book value	Impairment (loss)/ reversals	Book value	Impairment (loss)/ reversals	Net exposure	Impairment (loss)/ reversals	Net exposure	Impairment (loss)/ reversals	Net exposure	Impairment (loss)/ reversals	Net exposure	Impairment (loss)/ reversals	Net exposure	Impairment (loss)/ reversals	Net exposure	Impairment (loss)/ reversals
Consumer finance	242,402	4	15,325	(78)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-performing loans	4,232	(3,023)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial mortgages	2,810	41	3,192	332	-	-	-	-	-	-	-	-	-	-	-	-	-	-
First mortgages real estate loans	137,900	- 14	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other activities	1,471,957	- 103	272,327	221	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,859,301	(3,095)	290,844	475	-	-	-	-	-	-	-	-	-	-	-	-	-	-

The table provides the exposures taken by the Group for each third-party securitisation transaction as well as reporting the contractual type of assets sold. The column "Write-downs/write-backs" indicates the amount of any write-downs or

write-backs during the year as well as depreciations and revaluations posted to the income statement or directly to equity reserves, in the case of securities in the portfolio "Financial assets measured at fair value through other comprehensive income".

C.3 Prudential consolidation – Stakes in securitisation special purpose vehicles

31 12 2025

Securitisation/Vehicle company name	Registered office	Consolidation	Assets			Liabilities		
			Credit	Debt securities	Other	Senior	Mezzanine	Junior
Quarzo 11 - Quarzo S.r.l.	Milan	YES	101,642	-	18,460	33,960	-	72,000
Quarzo 12 - Quarzo S.r.l.	Milan	YES	332,436	-	22,483	244,094	-	94,500
Quarzo 13 - Quarzo S.r.l.	Milan	YES	2,808,791	-	223,828	2,537,500	-	362,500
Quarzo 14 - Quarzo S.r.l.	Milan	YES	524,058	-	30,158	464,886	61,087	14,692
Quarzo 15 - Quarzo S.r.l.	Milan	YES	806,433	-	44,357	717,013	94,212	22,611
Quarzo 16 - Quarzo S.r.l.	Milan	YES	2,809,423	-	207,794	2,581,000	-	319,000
MB Funding Lux	Luxembourg	YES	385,061	824,782	-	1,100,710		
SPV Project 2224 S.r.l.	Milan	YES	699,324		173,129	718,709		152,469
Total			8,467,168	824,782	720,209	8,397,872	155,299	1,037,772

C.4 Prudential consolidation - non-consolidated securitisation special purpose vehicles

The table represents the Group's interests in unconsolidated securitisation vehicles used for transactions in which the Group is an originator or investor; It also shows assets, liabilities and any off-balance sheet exposures, non-cancellable credit lines and financial guarantees (in the column 'Difference between exposure to loss risk and book value').

Balance-sheet item/Type of structured entity	Accounting Portfolio Assets					Accounting Portfolio Liabilities				
	Financial assets held for trading	Financial assets mandatorily measured at fair value	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Total Assets (A)	Financial liabilities held for trading	Financial liabilities measured at amortised cost	Total Liabilities (B)	Net book value (C=A-B)	Maximum exposure to loss (D)
Special purpose vehicle for its own securitisations (Originator)	-	585	700,180	-	700,765	-	-	-	700,765	700,765
ABS Issuing Vehicle Companies (Investor)	442,214	-	1,674,142	33,788	2,150,145	-	-	-	2,150,145	2,150,145
Total	442,214	585	2,374,323	-	2,850,910	-	-	-	2,850,910	2,850,910

It should be noted that the Group, in the role of investor holds interests in securitisation special purpose vehicles of the Italian banking system of performing and non-performing residential mortgages. The interests held by the Parent Company, as originator, relate to the following SPVs:

Siena NPL 2018 S.r.l.: in 2017, the Group completed a securitisation transaction on a portfolio of bad loans. The portfolio was sold on 20 December 2017 to the special purpose vehicle Siena NPL 2018 S.r.l., established for this purpose. The SPV financed the purchase of the portfolio through the issue of asset-backed securities with limited recourse of the Senior A1, Senior A2, Mezzanine and Junior class, centralized in dematerialized form at Monte Titoli S.p.A. and initially not listed on any regulated market in Italy and/or abroad.

On 9 January 2018, the transfer of 95% of the Mezzanine notes to Quaestio Capital SGR on behalf of the Italian Recovery Fund (formerly Fondo Atlante II) was completed. In May 2018, at the end of the rating assignment process, the senior notes were restructured into a single class, obtaining an investment grade rating from the 3 ratings agencies involved. The securities issued by the special purpose vehicle following the restructuring are therefore the following:

- (i) Senior A notes for EUR 2,918 mln, initial rating A3/BBB+/BBB (Moody's/Scope Ratings/DBRS). The outstanding amount as at 31 December 2025 was around EUR 696 mln. The rating as at 31 December 2025 was Ba1/BB-/BB(low) (Moody's/Scope Ratings/DBRS);
- (ii) Mezzanine B notes for EUR 848 mln, without rating and sold to the Italian Recovery Fund, for a portion of 95% of the issue. The outstanding amount as at 31 December 2025, also due to the capitalisation of interest (payment-in-kind), was about EUR 910 mln;
- (iii) Junior for EUR 565 mln, without rating and transferred to the Italian Recovery Fund, for a 95% share of the issue.

The transfer of 95% of the Mezzanine and Junior securities resulted in the deconsolidation of the entire securitised portfolio in June 2018. The remaining 5% of the Mezzanine and Junior notes was retained for the purpose of compliance with the "retention rule".

Lastly, in July 2018, the MEF granted, with a decree, the government guarantee (GACS) on the senior tranche of the securitisation. Obtainment of the GACS completed the entire securitisation process.

C.5 Prudential Consolidation - Servicer activities - own securitisations: collections of securitised loans and repayments

Servicer	Vehicle Company	Securitised assets (year-end figures)		Receivables collected during the year		Percentage of securities redeemed (year-end figure)					
		Non performing	Performing	Non performing	Performing	Senior		Mezzanine		Junior	
						Non performing	Performing	Non performing	Performing	Non performing	Performing
Compass	Quarzo Srl (Q11)	8,124	89,411	-	50,354	-	94	-	-	-	-
Compass	Quarzo Srl (Q12)	22,667	311,734	-	105,555	-	61	-	-	-	-
Compass	Quarzo Srl (Q13)	114,317	2,706,533	-	860,729	-	-	-	-	-	-
Compass	Quarzo Srl (Q14)	27,227	504,710	-	146,191	-	34	-	34	-	-
Compass	Quarzo Srl (Q15)	21,721	793,662	-	217,605	-	7	-	-	-	-
Compass	Quarzo Srl (Q16)	14,220	2,797,597	-	368,709	-	-	-	-	-	-
MBFacta (*)	SPV Project 2224 S.r.l.		699,326		1,362,088						
	Total 31 12 2025	208,276	7,902,973	-	3,111,231						
	Total 31 12 2024	-	-	-	-						

(*) Sub - servicer

C.6 Prudential consolidation - Consolidated securitisation special purpose vehicles

Quarzo S.r.l. (Compass Banca)

The vehicle currently has six securitisation transactions outstanding backed by performing loans granted by Compass Banca (which subscribed the entire amount of the junior notes) and transferred on a revolving basis for a period of between 6 and 66 months, at the end of which amortisation of the transaction may commence. Mezzanine tranches of EUR 92.1 mln have been issued, of which EUR 87.5 mln were subscribed by external counterparties, giving entitlement to SRT on RWA (amounting to EUR 301.4 mln as at 31 December 2025)

The table summarises the six outstanding transactions:

date of issue	Senior		mezzanine		junior	Loans disposed of during the year	Repayment start date
	A1	A2	A1	A2			
6 april 2022	528	-	-	-	72	-	15 may 2023
11 may 2023	450	155	-	-	95	-	17 June 2024
31 october 2023	-	2,538	-	-	362	1,501	15 january 2026
21 June 2024	500	201	87	5	22	136	17 march 2025
7 may2025	735	39	-	102	24	969	31 july 2027
18 november 2025	-	3	-	-	319	3,088	17 february 2028

Key:

A1: issued on the market.

A2 subscribed by the originator and, where necessary, transferred to Mediobanca for collateral purposes.

It should be noted that last November the Quarzo 16 securitisation transaction was structured. The transaction was completed through the without recourse disposal of an initial portfolio of performing consumer loans amounting to EUR 2,900 mln to Quarzo S.r.l., which financed the purchase of the portfolio through the issue of two classes of securities: a senior class for EUR 2,581 mln and a junior class for EUR 319 mln, both subscribed by Compass at issuance.

Single-member SPV PROJECT 2224 S.r.l. (MBFacta)

Last March, the first securitisation transaction was completed through the without recourse disposal of a portfolio of performing factoring loans of EUR 726 mln and the simultaneous issuance of two classes of securities:

1. senior notes (for EUR 599 mln) subscribed by a single institutional investor outside the Group and
2. junior notes (for a total of EUR 127 mln) subscribed directly by MB Facta.

The loans are transferred on a revolving basis for a period of between 24 and 36 months, at the end of which amortisation of the transaction may commence, subject to any further extensions.

The securities issued are not listed on any regulated market and are not rated.

The table summarises the outstanding transaction:

date of issue	Senior		junior	Loans disposed of during the year	Repayment start date
	A1	A2			
31 March 2025	300	419	152	1,331	29 April 2027

At present, the transaction does not entail the substantial transfer of all risks and rewards and, accordingly, accounting derecognition is not applied.

The vehicle, incorporated at the beginning of 2025, falls within the Group's scope of consolidation pursuant to IFRS 10; indeed, although it holds no interest in the vehicle, given its substantial ability to affect the vehicle's variable returns, as its sole customer, and at the same time its ability and power to direct its results, it constitutes so-called "de facto control".

MB Funding Lux S.A. (Mediobanca)

The vehicle was established by Mediobanca for the purpose of carrying out secured transactions backed by pools of corporate loans originated by Mediobanca International (Luxembourg) SA or Mediobanca S.p.A., the credit risk of which is retained. The notes, which fall within Mediobanca's "Medium Term Note" programme, are fully subscribed by Group companies and used as collateral on the interbank market.

No changes were recorded during the year with regard to the issues of MB Funding Lux S.A. subscribed by Mediobanca International Luxembourg S.A.

The outstanding transactions as at 31 December 2025 are shown in the table below.

ISIN	Notional	Date of issue	Repayment date
XS2270559367	100,000,000	11/12/2020	11/06/2026
XS1937712112	200,000,000	13/10/2021	15/10/2026
XS1616696016	800,000,000	22/05/2014	23/12/2030
Total	1,100,000,000		

During the year, the relationships between the originator companies and the special purpose vehicles were as follows:

Vehicle	Credit transfers	repayments	Servicing fees	Junior interests	Additional return maturata
Quarzo S.r.l.	2,606.7	2,621.4	9.7	138.2	293.3
MB Funding Lux S.A.	-	82,764.1	-	-	3.3
SPV Project 2224 S.r.l.	1,331.2	1,362.1	4.0	2.0	5.2

D. Transfers

A. Financial assets sold and not fully derecognised

Qualitative Information

As at 31 December 2025, the Group had no outstanding multi-originator transfers of loan portfolios to mutual funds with allocation of the relevant units to the transferor intermediaries that did not result in the derecognition of the transferred loans in accordance with IFRS 9.

At the same date, the transfer transactions that did not result in the derecognition from the financial statements of the underlying financial assets are represented by:

- securitisation transactions of credit exposures to customers, for which reference is made to the contents in section 4 “Liquidity risk” of these Notes to the financial statements;
- repurchase agreement payables on securities owned, mainly classified in the following portfolios: “Financial assets held for trading”, “Financial assets measured at fair value through other comprehensive income”, and “Financial assets measured at amortised cost”.

For repurchase agreements, the non-derecognition of the security, subject to spot transfer, derives from the fact that the Parent Company substantially retains all the risks and benefits associated with the security, having the obligation to repurchase it forward to a contractually established price. The transferred securities therefore continue to be represented in the accounting portfolios to which they belong; the sale consideration is recognised under ‘Financial liabilities measured at amortised cost: a) due to banks or b) due to customers’, depending on the type of counterparty. In this regard, it should be noted that the following tables do not show repurchase agreement payables carried out on securities not recognised in the financial statements, if their availability is a result of repurchase agreement receivables.

For securitisation transactions, described in the previous paragraph “C. Securitisation transactions” and in section 4 “Liquidity risk”, the non-derecognition is a result of the Group’s subscription of tranches of junior securities or similar exposures, which entail the risk of first losses for the Group and, likewise, the benefit associated with the return on the portfolio of transferred assets. In return for the transfer, the consideration received is recognised as a balancing entry to a liability due to the special purpose vehicle, net of any tranches of securities subscribed or any use of liquidity support in favour of the special purpose vehicle in order to make principal payments. The loan recognised in this way to the special purpose vehicle company will be reduced by the amounts collected by the originator, as “servicer”, and transferred to the same vehicle.

Quantitative Information

D.1 Prudential consolidation - Financial assets sold and fully recognised and associated financial liabilities: book values

	Financial assets sold and fully recognised				Associated financial liabilities		
	Book value	of which: subject to securitization transactions	of which: subject to repurchase agreement	of which: non- performing	Book value	of which: subject to securitization transactions	of which: subject to repurchase agreement
Financial assets held for trading	7,737,117	-	7,737,117	X	7,664,311	-	7,664,311
1. Debt securities	5,621,826	-	5,621,826	X	5,635,952	-	5,635,952
2. Equity instruments	2,115,291	-	2,115,291	X	2,028,359	-	2,028,359
3. Loans	-	-	-	X	-	-	-
4. Derivatives	-	-	-	X	-	-	-
Financial assets mandatorily measured at fair value	-	-	-	-	-	-	-
1. Debt securities	-	-	-	-	-	-	-
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
Financial assets designated at fair value	302,267	-	302,267	-	302,256	-	302,256
1. Debt securities	302,267	-	302,267	-	302,256	-	302,256
2. Loans	-	-	-	-	-	-	-
Financial assets measured at fair value through other comprehensive income	1,711,300	-	1,711,300	-	1,584,997	-	1,584,997
1. Debt securities	1,711,300	-	1,711,300	-	1,584,997	-	1,584,997
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
Financial assets measured at amortised cost	7,630,695	2,528,532	5,102,163	22,679	7,151,083	2,540,210	4,610,873
1. Debt securities	5,102,163	-	5,102,163	-	4,610,873	-	4,610,873
2. Loans	2,528,532	2,528,532	-	22,679	2,540,210	2,540,210	-
Total 31 12 2025	17,381,379	2,528,532	14,852,847	22,679	16,702,647	2,540,210	14,162,437
Total 31 12 2024	5,629,696	-	5,629,696	-	5,219,753	-	5,219,753

D.2 Prudential consolidation - Financial assets sold and partially recognised and associated financial liabilities: book values

This table was not created as the Group did not have any financial assets sold and partially recognised in the current financial year or previous financial year.

D.3. Prudential consolidation - Transfers relating to financial liabilities with repayment exclusively based on assets sold and not fully derecognised: fair value

	Fully recognised	Partially recognised	Total	
			31 12 2025	31 12 2024
Financial assets held for trading	6,066,024	-	6,066,024	-
1. Debt securities	3,950,733	-	3,950,733	-
2. Equity instruments	2,115,291	-	2,115,291	-
3. Loans	-	-	-	-
4. Derivatives	-	-	-	-
Financial assets mandatorily measured at fair value	-	-	-	-
1. Debt securities	-	-	-	-
2. Equity instruments	-	-	-	-
3. Loans	-	-	-	-
Financial assets designated at fair value	302,267	-	302,267	-
1. Debt securities	302,267	-	302,267	-
2. Loans	-	-	-	-
Financial assets measured at fair value through other comprehensive income	1,666,343	-	1,666,343	-
1. Debt securities	1,666,343	-	1,666,343	-
2. Equity instruments	-	-	-	-
3. Loans	-	-	-	-
Financial assets measured at amortised cost	4,009,946	-	4,009,946	-
1. Debt securities	2,070,041	-	2,070,041	-
2. Loans	1,939,905	-	1,939,905	-
Total financial assets	11,742,313	-	11,742,313	-
Total financial associated liabilities	11,498,291	-	11,498,291	-
Net value 31 12 2025	244,022	-	244,022	X
Net value 31 12 2024	-	-	X	-

B. Financial assets sold and fully derecognised with assessment of continuing involvement

Qualitative Information

Quantitative Information

The case in question is not present as at 31 December 2025.

C. Financial assets sold and fully derecognised

Following are multi-originator transfers, regarding loan portfolios, to a mutual investment fund with the attribution of the related units to the transferor intermediaries. The transactions outlined below led to the derecognition of the receivables sold pursuant to IFRS 9 ("derecognition"), as the Group did not substantially retain the risks and benefits of the transferred assets and also did not retain any substantial control over these assets, which was instead assumed by the fund management company (hereinafter also SGR). In particular, the risks and benefits that the Group could achieve from the units held in exchange for the contribution of receivables, are not anchored in the an, nor the quantum or the timing, to events affecting the assigned loans, given that the economic and financial trends related to individual receivables will not automatically and directly affect the returns of individual shareholders, which will instead depend on the general performance of the fund managed by the SGR.

Qualitative and quantitative Information

Efesto Fund

In November 2020, the MPS Group finalised a sale of a multi-originator type of a portfolio of loans classified as "unlikely to pay", issued to industrial and service companies located in Italy and with an average turnover of EUR 20 mln in the last 3 years, to a Fund - managed by Finanziaria Internazionale Investments S.G.R. S.p.A. The price settlement was determined by offsetting the loan owed by the Fund with the concurrent underwriting of freed up units of the Fund.

As at the date of sale, the portfolio consisted of loans payable to the MPS Group and other banking groups by 51 target companies (for the MPS Group 11 debtors) for a total gross exposure of EUR 432.5 mln (for the MPS Group EUR 126.2 mln - of which 57% secured - at a total price of EUR 197.2 mln (for the MPS Group about EUR 55.8 mln). The net book value of the loans as at the sale date for the MPS Group was EUR 53.3 mln.

The loans sold were fully derecognised from the assets of the Group as at 31 December 2020 and the fund units were recognised for a total of EUR 50.9 mln, equal to around a 28.3% investment in the fund.

As at 31 December 2025, the Group held 2.8% of the Fund's units (3.0% as at 31 December 2024) for a book value of EUR 16.1 mln (EUR 21.5 mln as at 31 December 2024). The reduction in percentage equity investment is mainly due to new contributions made to the Fund by unit holders other than the Group.

Back2Bonis Fund

On 27 December 2019, the MPS Group, UBI Banca and Banco BPM finalised with AMCO and the Prelios Group a transaction named Cuvée which provided for the creation of a multi-originator platform to manage UTP (Unlikely to pay) loans, from EUR 3 mln to EUR 30 mln, issued to companies of the real estate sector that are in a restructuring phase or in financial difficulties.

The first step of this transaction was completed in December 2019 - which was joined by the MPS Group - when the positions of 46 debtors were transferred to the Fund (for the MPS Group, 7 debtors) for a total of about EUR 453 mln (of which EUR 111 mln for the MPS Group) at a price of about EUR 242 mln (EUR 43 mln for the MPS Group). The assignor banks received, as payment for the sale, the Fund units of which the MPS Group holds 17.7%. The loans sold were fully derecognised from the assets of the Group as at 31 December 2019 and the units were recognised for a total of EUR 32.3 mln.

As at 31 December 2025, the Group held approximately 4.0% of the Fund's units, unchanged from 31 December 2024, with a book value of EUR 23.9 mln (EUR 33.0 mln as at 31 December 2024).

Clessidra Fund

In September 2019, the Group finalised a sale of a multi-originator type of a portfolio of loans classified as "unlikely to pay", issued to industrial and service companies located in Italy and with a turnover not under EUR 50 mln, to a Fund managed by Clessidra SGR S.p.A. The price settlement was determined by offsetting the loan owed by the Fund with the concurrent underwriting of freed up units of the Fund.

The Fund was established for the purpose of improving the performance for the recovery of the loans acquired, thanks to the value increase of the target companies through:

- inputs of a managerial nature, made possible through the substantial addition of the Fund to the net financial positions of the companies and to any conversion of the acquired loans into equity instrument of the same companies;
- contribution of financial resources aimed at improving the industrial and financial turnaround.

The Fund has issued four categories of units with different economic rights:

- units A reserved to the transferring banks;
- units B and C intended for two categories of institutional investors who contribute a “new finance”;
- units D reserved to the Fund management team.

As at the date of transfer, the portfolio consisted of loans from the MPS Group and other banking groups to 13 target companies (for the MPS Group, 8 debtors) for a total gross exposure of approximately EUR 274 mln (for the MPS Group, approximately EUR 102 mln) at a total price of approximately EUR 196 mln (for the MPS Group, approximately EUR 78 mln for a 39.8% interest in the fund). The net book value of the loans as at the sale date for the MPS Group was about EUR 71 mln.

As at 31 December 2025, the Group held 39.5% of the Fund's units (unchanged from 31 December 2024), with a book value of EUR 41.7 mln (EUR 58.5 mln as at 31 December 2024).

Idea I and Idea II Fund

In 2016 and 2017, the Group carried out two multioriginator sale transactions concerning loan portfolios (with full derecognition from the Financial Statements) to a mutual investment fund, with attribution of the related units to the transferor intermediaries. This refers to a project of Idea Capital Fund S.g.r., a management company that has established two multi-segment mutual investment funds called Idea CCR I (2016) and Idea CCR II (2017).

With regard to the Idea CCR I Fund, the Group had contributed 6 positions to the fund for an aggregate total of EUR 20.0 mln out of an aggregate total of EUR 217 mln at a price of EUR 14.3 mln, receiving 8.1% of the shares of the Idea CCR I fund as consideration for the sale.

On the other hand, with regard to the Idea CCR II Fund, the Group contributed 5 positions to the fund for a total of EUR 51.5 mln against a total of EUR 328.9 mln at a price of EUR 32.7 mln, receiving 14.1% of the shares of the Idea CCR II Fund as consideration for the transfer.

As at 31 December 2025, the Group held 6.39% and 1.57% of the units of sub-fund A respectively of the Idea CCR I Fund and the Idea CCR II Fund (6.39% and 1.65% as at 31 December 2024). The book value of these shares was EUR 3.0 mln (unchanged from 31 December 2024) and EUR 9.4 mln (EUR 8.3 mln as at 31 December 2024), respectively. The reduction in percentage equity investment in Idea CCR II Fund is mainly due to new contributions made to the Fund by unit holders other than the Bank.

For more information on the criteria for determining the units' fair value, please refer to Part A of these Notes to the consolidated financial statements.

D Covered bond transactions*Characteristics of the issuance programmes*

The Group has three Covered Bond Programmes (*Obbligazioni Bancarie Garantite*, OBG), one of which was established by Mediobanca.

The first Montepaschi programme, intended for institutional investors, was launched in 2010 in the amount of EUR 10,000 mln. The main purpose of this programme is to offer a secured product on the market, proposing it as a preferred instrument for improving the medium- and long-term financial profile, but also to realise eligible instruments as collateral in refinancing operations with the European Central Bank or in repurchase agreements, increasing the availability of liquid assets to cope with the Bank's liquidity risk (counterbalancing capacity). In light of the developments in the financial markets, the programme should be considered as part of a wider strategy, aimed at:

- curbing the costs of funding: covered bonds are widely preferred, inasmuch as they are issued directly by the Bank and their repayment is also guaranteed by a segregated pool of assets (in this case, residential mortgage loans); in the event of issuer bankruptcy, covered bond holders enjoy a right of recourse on a portfolio of segregated high-quality assets and are, therefore, willing to accept a lower yield than the one offered by similar uncovered bonds;
- diversifying the Bank's funding sources on the international market;
- lengthening its average debt maturity profile.

On 26 June 2015, the first programme's meeting of the Montepaschi covered bond holders approved the proposed amendments in order to:

- amend the programme, to obtain a rating from DBRS (in addition to Moody's and Fitch) for the covered bonds issued and to be issued as part of the programme; and
- activate, if specific cases of default take place pursuant to the programme, a "conditional pass through" type mechanism for the repayment of the bonds issued.

At the time of the annual renewal of the programme, on 23 December 2017, its maximum amount was increased from EUR 10,000 mln to EUR 20,000 mln.

In order to strengthen the Group's counterbalancing capacity, in 2012, a second Montepaschi covered bond issuance programme was authorised, collateralised by a segregated pool of assets of residential and commercial mortgages, with a maximum capacity of EUR 20,000 mln. The programme is not intended for the market but is aimed at the realisation of eligible instruments as collateral in refinancing operations with the European Central Bank or in repurchase agreements, increasing the availability of liquidable assets to cope with the Bank's liquidity risk (counterbalancing capacity). The programme, which did not have an explicit rating at its launch, was rated by DBRS in 2013.

Mediobanca's covered bond issuance programme was renewed by a Board of Directors resolution in December 2020 for a further 10 years beyond the original expiry date (December 2021) and for a total amount of EUR 10 bn. The transaction involves:

- Mediobanca as issuer of the covered bonds;
- Mediobanca Premier S.p.A. as transferor, also on a revolving basis, of assets eligible for transfer under the regulations, within the limits linked to Mediobanca's consolidated capital ratios, and acting as Servicer;
- Mediobanca Covered Bond S.r.l. (special purpose vehicle) as the without recourse transferee of the assets and guarantor of the covered bonds.

The programme issues outstanding as at 31 December 2025 are rated AA by Fitch.

The structure of the Group's Covered Bond programmes requires fulfilment of the following activities:

- a) the Parent Company, and/or another Group company, for Mediobanca – for their respective Programmes – transfer without recourse a pool of assets consisting of eligible assets (residential and commercial land and mortgage loans) to the vehicles MPS Covered Bond S.r.l., MPS Covered Bond 2 S.r.l. and Mediobanca Covered Bond S.r.l., forming a segregated pool (Cover Pool);
- b) the transferor grants a subordinated loan to the vehicle, for the purpose of financing payment of the assets' purchase price by the vehicle;
- c) the Parent Company and Mediobanca for their respective programmes issue Covered Bonds secured by an autonomous, irrevocable and unconditional first-demand guarantee issued by the vehicle for the only benefit of the covered bond-holding investors and senior creditors in the programme (the guarantee involves limited recourse to the assets of the Cover Pool owned by the vehicle, which acts as guarantor).

Accounting treatment

Pursuant to IFRS 9, the derecognition of a financial instrument from the balance sheet of the transferor is determined on the basis of the substance of the contract, not its legal form. Having said this, with regard to the presentation of transactions in the financial statements, please note the following:

- transferred loans continue to be recognised as assets in the balance sheet of the Parent Company's financial statements under item 40 b) of the assets "Financial assets measured at amortised cost: loans to customers", under the sub-item "Mortgages", as the transferring Banks continue to retain the risks and rewards associated with ownership of the mortgages legally transferred;
- the loan granted to the vehicle by the Parent Company and by Mediobanca Premier for the Mediobanca Programme is not recognised separately in the balance sheet, since it is offset against the liability to the vehicle linked to the initial transfer price; such loan is therefore not subject to credit risk assessment, as this risk is entirely reflected in the assessment of the transferred loans, which continue to be reported on the balance sheet of the transferring banks.
- loans are subject to movements based on own events (figures and assessment); the instalments collected are paid over daily to the vehicle into the "Collection Account" and accounted for as follows:
 - collection of principal from borrower is recognised as an offsetting entry to the reduction in the loan to the borrower;
 - reallocation of principal to the Vehicle is recognised as an offsetting entry to the recognition of a loan to the Vehicle;
 - this loan is paid off upon repayment of the subordinated loan;
 - the portion of interest received from the borrower is recognised as an offset to item 10 of the income statement "Interest income: loans to customers" (interest on loans continues to be recognised on an accruals basis through the allocation of accruals);
 - reallocation of interest to the Vehicle is recognised as an offsetting entry to the recognition of a loan to the vehicle;
 - this loan is paid off upon collection of the interest flow on the subordinated loan.
- the vehicles "MPS Covered Bond S.r.l." and "MPS Covered Bond 2 S.r.l." are invested in by the Parent Company, while Mediobanca Covered Bond S.r.l. is controlled by Mediobanca Premier for a control stake of 90%, recognised under Item 70 "Equity Investments" and included in the Group's Consolidated Financial Statements on a line-by-line basis.
- Covered bonds issued are recorded as liabilities under item 10 c) "Financial liabilities measured at amortised cost: debt securities issued", and related interest expense is recognised on an accrual basis.

In consideration of the characteristics and accounting treatment of the transaction, the swaps associated with the transaction are not recognised in the balance sheet, since their recognition would entail, pursuant to par. B3.2.14 of IFRS 9, a duplication of rights and obligations already recognised due to mortgage loans transferred being maintained on the balance sheet.

Risks and Control Measures

In order to allow the transferee to meet the obligations related to the collateral pledged, the Parent Company and Mediobanca – for their respective Programmes – use appropriate Asset & Liability Management techniques to secure a trend of substantial balance between the maturities of cash flows arising from the assets sold and maturities of payments due in relation with the covered bonds issued and other costs of the transaction.

The Programmes have been structured in compliance with the applicable legislative and regulatory provisions, and have undergone a thorough review to bring them into line with the provisions contained in the 42nd update of the Supervisory Provisions, implementing Italian Legislative Decree no. 190/2021, which introduced the Title I-bis in Italian Law 130/99 to implement the "Covered Bond Directive" in Italy.

The structure of the issuance Programmes is subject to stringent regulatory constraints and provides for continuous interventions, on a regular basis and for each transaction, by the *Credit Portfolio Governance*, Finance, Treasury and Capital Management and Risk Management functions, as well as oversight by the Credit Audit function for Montepaschi and by an external auditor acting as Asset Monitor. In particular, these actions include:

- assessments on the quality and integrity of the assets pledged as collateral for the obligations, in particular, the appraisal of the value of the real estate, both residential and commercial, on which the mortgage is secured in relation to the land and mortgage loans assigned; intervention may take the form of repurchases, additions and new disposals of additional assets, compliance with the loan-to-value limits of Article 129 of the CRR;

- assessments on the maintenance of the correct ratio between the covered bonds issued and the assets pledged as collateral (cover pool - residential land and mortgage loans for the first programme and both residential and commercial for the second programme) and compliance with the liquidity buffer requirement;
- assessments on compliance with the internal operating limits for the transfer of eligible assets, as well as, if they are exceeded, the adoption of the necessary corrective measures;
- assessment on whether risks are effectively and adequately hedged by any derivative contracts in relation to the transaction;
- the trend of financial flows related to the programme;
- the completeness, truthfulness and timeliness of the information made available to investors.

In the course of 2013, the mitigation strategy for interest rate risk on the first Montepaschi programme was restructured in order to minimise the Special Purpose Vehicle's exposure to market counterparties. In particular, the newly-defined strategy aims to only cover the Special Purpose Vehicle's net exposure to interest rate risk, as opposed to the nominal amount. At the same time, a number of outstanding Covered Bond Swaps with market counterparties, which expired in July 2024, were outsourced.

With reference to Mediobanca's covered bond issuance programme, as at 31 December 2025 there was one contract to hedge the risks inherent in the cover pool (Asset Swap), entered into between the vehicle Mediobanca Covered Bond S.r.l., which pays the interest collected quarterly from the cover pool, and Mediobanca, which pays a three-month Euribor rate plus a spread, with a notional amount equal to the average level of the cover pool during the period, and contracts to hedge the fixed-rate bonds issued (Covered Bond Swap), entered into between the vehicle Mediobanca Covered Bond S.r.l., which pays the floating rate on the notional amount issued, and Mediobanca, which pays the fixed rate on the bond notional amount.

The paragraphs below provide information on the nature of the risks associated with the interest in the MPS Covered Bond S.r.l. vehicle, whose assets are pledged as collateral of bond issues of the Parent Company partly placed with the market. In particular, the terms of the agreements that could require the Group to provide financial support to the vehicle MPS Covered Bond S.r.l. are as follows:

- the Parent Company and Mediobanca, for their respective programmes, undertake to ensure ongoing compliance with the coverage and liquidity requirements; regulatory and contractual tests calculated according to the methodologies defined by the rating agencies from time to time;
- repayment is possible, even in several instalments, in advance of each subordinated loan if the legally required tests and the level of over collateralisation are complied with and if there are available funds. Repayment is also permitted, in order to comply with the maximum cash limit that can be accumulated by the special purpose vehicle, as established by the regulations to the extent that it is not possible, for the special purpose vehicle, to purchase new eligible assets to replace the cash, pursuant to the subordinated loan agreement);
- the Parent Company and Mediobanca, for their respective programmes, pursuant to the Cover Pool Management Agreement, are required to ensure ongoing compliance with the liquidity requirement through the establishment and adjustment of the amount of the liquidity reserve, which varies according to the criteria defined both by the regulations and in agreement with the rating agencies.
- As regards the second Montepaschi programme and the Mediobanca programme, the terms of the agreements which might require the Group to provide financial support to the vehicles are the same as those indicated above for the vehicle MPS Covered Bond S.r.l..

There are no cases of financial or other support to a previously non-consolidated structured entity as a result of which the structured entity was controlled by the Group including Mediobanca. During the financial year under review, the Group did not provide and does not intend to provide financial or other support to the above vehicles.

Description of individual disposals and issuances

In the context of the first Montepaschi programme, on 28 January 2025, the Parent Company disposed of a portfolio of 13,198 performing residential mortgages, with no outstanding instalments at the date of portfolio valuation as well as meeting identified selection criteria, substantially comparable to those used for previous disposals, for an amount of EUR 1,484.97 mln.

Here follows a summary of the main characteristics regarding transfers in the first programme:

Covered pool transfer date	Type of securitised assets	Transferor	Total value of asset transferred (in units of eur)	No. of mortgages loans transferred	Breakdown of transferred debtors by business sector
25/05/10	Residential mortgage loans	Mps Bank	4,413,282,561	36,711	100% natural persons
19/11/10	Residential mortgage loans	Mps Bank	2,400,343,584	19,058	100% natural persons
25/02/11	Residential mortgage loans	Mps Bank	3,887,509,799	40,627	100% natural persons
25/05/11	Residential mortgage loans	Mps Bank	2,343,824,924	26,804	100% natural persons
16/09/11	Residential mortgage loans	Mps Bank	2,323,368,355	27,973	100% natural persons
14/06/13	Residential mortgage loans	Mps Bank	415,948,266	4,259	100% natural persons
18/09/15	Residential mortgage loans	Mps Bank	1,529,531,983	15,080	100% natural persons
31/10/16	Residential mortgage loans	Mps Bank	775,933,585	7,630	100% natural persons
22/12/16	Residential mortgage loans	Mps Bank	237,758,336	1,903	100% natural persons
03/05/18	Residential mortgage loans	Mps Bank	1,311,870,107	12,401	100% natural persons
27/02/19	Residential mortgage loans	Mps Bank	1,809,753,193	16,880	100% natural persons
16/10/19	Residential mortgage loans	Mps Bank	1,262,890,758	12,008	100% natural persons
15/06/20	Residential mortgage loans	Mps Bank	1,433,158,855	13,107	100% natural persons
18/05/21	Residential mortgage loans	Mps Bank	1,665,859,006	15,074	100% natural persons
20/06/22	Residential mortgage loans	Mps Bank	912,293,907	8,837	100% natural persons
31/01/24	Residential mortgage loans	Mps Bank	2,077,583,275	18,680	100% natural persons
28/01/25	Residential mortgage loans	Mps Bank	1,484,978,787	13,198	100% natural persons

The remaining debt balance on the portfolio as at 31 December 2025 amounted to EUR 11,270.4 mln for 147,858 mortgage loans.

Within the first programme, the Parent Company had issues outstanding, not yet matured or early redeemed, with a nominal value as at 31 December 2025 of EUR 5,450.0 mln, of which EUR 3,700 mln were on the market and EUR 1,750 mln were held by the Parent Company

During 2025, within the first Montepaschi Covered Bond programme, the following issues were made, one of which was a reopening through the issue of an additional tranche of EUR 250 mln placed by way of private placement:

date of issue	Notional amount	Coupon	Frequency	Date of maturity
06/06/25	1,000,000,000	2.766%	yearly	Jun-31
18/06/25	750,000,000	2,75%	Yearly	Jan-31
05/12/25	250,000,000	2,75%	Yearly	jan-31
Total	2,000,000,000			

Within the second Montepaschi programme, no portfolio transfers were carried out in 2025.

Here follows a summary of the main characteristics regarding transfers in the second programme:

Covered pool transfer date	Type of securitised assets	Transferor	Total value of asset transferred (in units of eur)	No. of mortgages loans transferred	Breakdown of transferred debtors by business sector
30/04/12	Residential mortgages loans	MPS Bank	2,384,995,478	27,047	100% natural persons
26/06/12	Residential and commercial mortgages loans	MPS Bank	2,478,270,455	13,993	Mixed
28/08/12	Residential and commercial mortgages loans	MPS Bank	1,401,965,498	17,353	Mixed
24/09/12	Residential and commercial mortgages loans	MPS Bank	2,473,677,574	9,870	Mixed
18/02/13	Residential and commercial mortgages loans	MPS Bank	1,286,740,404	9,033	Mixed
24/06/13	Residential and commercial mortgages loans	MPS Bank	2,147,692,217	12,771	Mixed
25/03/14	Residential and commercial mortgages loans	MPS Bank	1,464,170,335	5,645	Mixed
20/10/15	Residential and commercial mortgages loans	MPS Bank	977,548,353	5,671	Mixed
18/07/16	Residential and commercial mortgages loans	MPS Bank	2,010,907,195	24,162	Mixed
29/08/16	Residential and commercial mortgages loans	MPS Bank	813,253,156	7,211	Mixed
31/03/17	Residential and commercial mortgages loans	MPS Bank	789,153,182	5,799	Mixed
11/05/18	Residential and commercial mortgages loans	MPS Bank	685,537,103	4,718	Mixed
14/11/18	Residential and commercial mortgages loans	MPS Bank	470,369,358	3,002	Mixed
30/09/19	Residential and commercial mortgages loans	MPS Bank	727,237,065	4,549	Mixed
26/02/20	Residential and commercial mortgages loans	MPS Bank	1,034,517,196	8,625	Mixed
19/04/21	Residential and commercial mortgages loans	MPS Bank	1,519,843,073	12,916	Mixed
30/11/21	Residential and commercial mortgages loans	MPS Bank	1,751,398,674	14,646	Mixed
18/07/22	Residential and commercial mortgages loans	MPS Bank	1,000,344,594	7,363	Mixed
21/11/23	Residential and commercial mortgages loans	MPS Bank	1,124,698,093	10,798	Mixed
16/07/24	Residential and commercial mortgages loans	MPS Bank	645,897,467	5,921	Mixed

The remaining debt balance on the portfolio as at 31 December 2025 amounted to EUR 8,519.1 mln for 101,782 mortgage loans.

Within the second Montepaschi programme, forty-seven issues were made, of which eleven had not yet matured or been early redeemed, were not intended for the market but were repurchased by the Parent Company itself and used as collateral in refinancing operations with the Eurosystem, for a total as at 31 December 2025 of EUR 6,850.0 mln.

In 2025, the maturities of the following issues were extended:

Date of issue	Notional amount	Coupon	Maturity
09/11/21	500,000,000	3 m Euribor + 0.24%	Jul-28
17/02/22	750,000,000	3 m Euribor + 0.27%	Oct-28
Total	1,250,000,000		

As part of the ordinary operating activity of the Mediobanca programme, during the year assets were transferred from Mediobanca Premier to the special purpose vehicle Mediobanca Covered Bond S.r.l. for EUR 942.2 mln, with the simultaneous repurchase of assets for EUR 6.8 mln. The main features of the transfers are set out below:

Covered pool transfer date	Type of securitised assets	Transferor	Total value of asset transferred (in units of euro)	No. of mortgages loans transferred	Breakdown of transferred debtors by business sector
01/11/21	Residential mortgage loans	CHEBANCA! S.P.A.	1,671,085,008	19,029	100% natural persons
01/12/12	Residential mortgage loans	CHEBANCA! S.P.A.	179,698,400	1,430	100% natural persons
01/06/13	Residential mortgage loans	CHEBANCA! S.P.A.	106,081,794	781	100% natural persons
01/06/14	Residential mortgage loans	CHEBANCA! S.P.A.	1,212,026,665	10,158	100% natural persons
01/12/14	Residential mortgage loans	CHEBANCA! S.P.A.	236,708,625	2,061	100% natural persons
01/06/15	Residential mortgage loans	CHEBANCA! S.P.A.	241,646,517	2,005	100% natural persons
01/12/15	Residential mortgage loans	CHEBANCA! S.P.A.	583,991,992	4,946	100% natural persons
01/03/16	Residential mortgage loans	CHEBANCA! S.P.A.	115,433,472	949	100% natural persons
01/06/16	Residential mortgage loans	CHEBANCA! S.P.A.	185,782,535	1,481	100% natural persons
01/12/16	Residential mortgage loans	CHEBANCA! S.P.A.	255,462,343	2,188	100% natural persons
01/05/17	Residential mortgage loans	CHEBANCA! S.P.A.	287,609,778	2,454	100% natural persons
01/10/17	Residential mortgage loans	CHEBANCA! S.P.A.	1,524,361,938	14,245	100% natural persons
01/03/18	Residential mortgage loans	CHEBANCA! S.P.A.	353,474,123	2,520	100% natural persons
01/06/18	Residential mortgage loans	CHEBANCA! S.P.A.	992,206,223	8,305	100% natural persons
01/12/18	Residential mortgage loans	CHEBANCA! S.P.A.	405,239,752	3,138	100% natural persons
01/03/19	Residential mortgage loans	CHEBANCA! S.P.A.	234,569,491	1,794	100% natural persons
01/06/19	Residential mortgage loans	CHEBANCA! S.P.A.	195,910,634	1,491	100% natural persons
01/09/19	Residential mortgage loans	CHEBANCA! S.P.A.	149,724,085	1,187	100% natural persons
01/12/19	Residential mortgage loans	CHEBANCA! S.P.A.	182,048,051	1,330	100% natural persons
01/03/20	Residential mortgage loans	CHEBANCA! S.P.A.	200,807,043	1,187	100% natural persons
01/06/20	Residential mortgage loans	CHEBANCA! S.P.A.	173,347,272	1,383	100% natural persons
01/09/20	Residential mortgage loans	CHEBANCA! S.P.A.	179,256,957	1,603	100% natural persons
01/12/20	Residential mortgage loans	CHEBANCA! S.P.A.	1,177,318,805	9,038	100% natural persons
01/03/21	Residential mortgage loans	CHEBANCA! S.P.A.	264,672,763	1,901	100% natural persons
01/06/21	Residential mortgage loans	CHEBANCA! S.P.A.	282,411,246	2,142	100% natural persons
01/09/21	Residential mortgage loans	CHEBANCA! S.P.A.	199,871,541	1,502	100% natural persons
01/12/21	Residential mortgage loans	CHEBANCA! S.P.A.	271,860,347	1,979	100% natural persons
01/03/22	Residential mortgage loans	CHEBANCA! S.P.A.	173,958,471	1,254	100% natural persons
01/06/22	Residential mortgage loans	CHEBANCA! S.P.A.	1,205,491,659	8,734	100% natural persons
01/09/22	Residential mortgage loans	CHEBANCA! S.P.A.	156,124,914	1,096	100% natural persons
01/12/22	Residential mortgage loans	CHEBANCA! S.P.A.	183,030,071	1,353	100% natural persons
01/03/23	Residential mortgage loans	CHEBANCA! S.P.A.	160,979,715	1,135	100% natural persons
01/06/23	Residential mortgage loans	CHEBANCA! S.P.A.	171,994,152	1,254	100% natural persons
01/12/23	Residential mortgage loans	CHEBANCA! S.P.A.	328,679,993	2,405	100% natural persons
01/06/24	Residential mortgage loans	MEDIOBANCA PREMIER	320,845,919	2,184	100% natural persons
01/12/24	Residential mortgage loans	MEDIOBANCA PREMIER	305,654,349	2,049	100% natural persons
01/03/25	Residential mortgage loans	MEDIOBANCA PREMIER	1,187,526,466	8,688	100% natural persons
01/06/25	Residential mortgage loans	MEDIOBANCA PREMIER	367,792,104	2,668	100% natural persons
01/12/25	Residential mortgage loans	MEDIOBANCA PREMIER	942,176,271	3,634	100% natural persons

There are 10 issues outstanding, with a total value of EUR 6,650 mln, placed with institutional investors and guaranteed by assets transferred from Mediobanca Premier to Mediobanca Covered Bond for EUR 8,603 mln of outstanding debt, broken down as follows:

Date of issue	Notional amount	Coupon	Maturity
Nov-17	750,000,000	Fix: 1,25%	Nov-29
Jul-19	750,000,000	Fix: 0,5%	Oct-26
Jan-21	750,000,000	Fix: 0,01%	Feb-31
Jun-22	750,000,000	Fix: 2,375%	Jun-27
Jan-24	800,000,000	Fix: 3,25%	Nov-28
Set-24	950,000,000	Fix: 3%	Set-31
Jun-25	1,050,000,000	Fix: 2,625%	Aug-30
Oct-25	50,000,000	Fix: 3,578%	Oct-40
Nov-25	750,000,000	Fix: 2,875%	Feb-32
Dec-25	50,000,000	Fix: 3,663%	Dec-40
Total	6,650,000,000		

In September and December, two tap issuances of EUR 220 mln and EUR 80 mln respectively were carried out on the covered bond issued in June 2025.

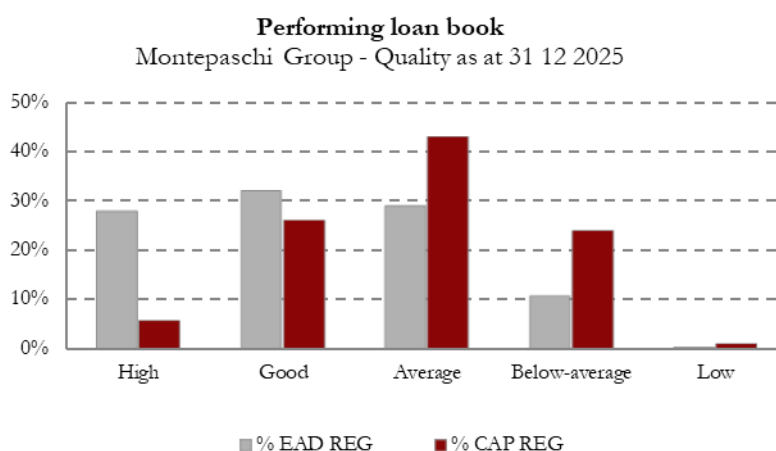
In the last quarter of 2025, three issues were carried out for a total of EUR 850 mln, of which EUR 100 mln (split into two issues of EUR 50 mln each) by way of private placement transactions.

In November, the covered bond issued in November 2015 matured and was therefore redeemed for a total of EUR 750 mln.

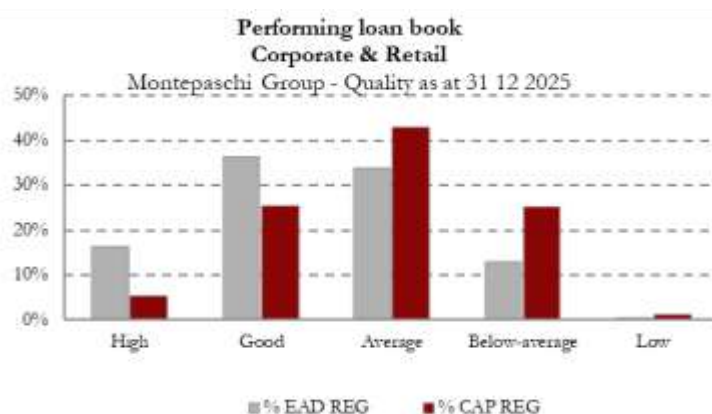
E. Prudential consolidation - Credit risk measurement models (*)

This paragraph provides information of a quantitative nature related to the models for the measurement of credit risk, the qualitative characteristics of which have been described in Chapter 2 “Credit risk management policies” of Section 2 “Prudential consolidation risk” of these Notes to the consolidated financial statements.

The chart below provides a credit quality breakdown of the Group portfolio as at 31 December 2025 by Exposure to Risk (REG EAD) and Regulatory Capital (REG CAP). It should be noted that about 60% (59% as at 31 December 2024) of risk exposure relates to high- and good-quality customers (positions in financial assets are excluded). It should be noted that the ranking below also includes exposure to banks, government agencies and non-regulated financial and banking institutions, which are not included in the AIRB approaches. The quality is measured in terms of probability of default assigned to customers through the AIRB models of the MPS Group. Non-AIRB counterparties are nevertheless subject to a credit standing assessment using official ratings where available or appropriate internally determined benchmark values.



On the other hand, the following chart provides a breakdown of credit quality only for Corporate and Retail portfolios (which are largely validated by the Supervisory Authority for the use of internal PD and LGD models). As at 31 December 2025, high or good quality exposure accounted for approximately 53% of total exposure (50% as at 31 December 2024).



(*): the data presented do not include those of Mediobanca S.p.A. and its subsidiaries

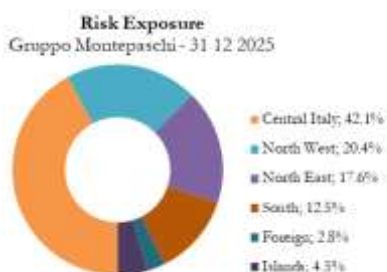
An analysis conducted at the end of 2025 shows that the Group's risk exposure is mainly toward "Manufacturing Companies" (45.6% of total loans disbursed), "Households" (37.1%), "Governments and Public Administration" (15.6%) and "Banks and Financial Institutions" (1.6%).



In terms of Regulatory Capital, 75.9% is absorbed by the "Manufacturing Companies" customer segment. The 'Households' segment stands at 19.2%; followed by "Governments and Public Administration" and "Banks and Finance" with 2.7% and 2.3% respectively:



An analysis of the geographical breakdown of the Group customers shows that exposure to risk is primarily concentrated in the regions of the Centre (42.1%), followed by those in the North West (20.4%), North East (17.6%), South (12.5%), Islands (4.5%) and abroad (2.8%).



Regulatory Capital absorption is also higher in Central Italy (29.2%), in North West Italy (28.3%) and North East Italy (20.3%) due to the greater concentration of loans in those areas. These are followed by the South (13.5%), Abroad (4.2%) and the Islands (4.6%):

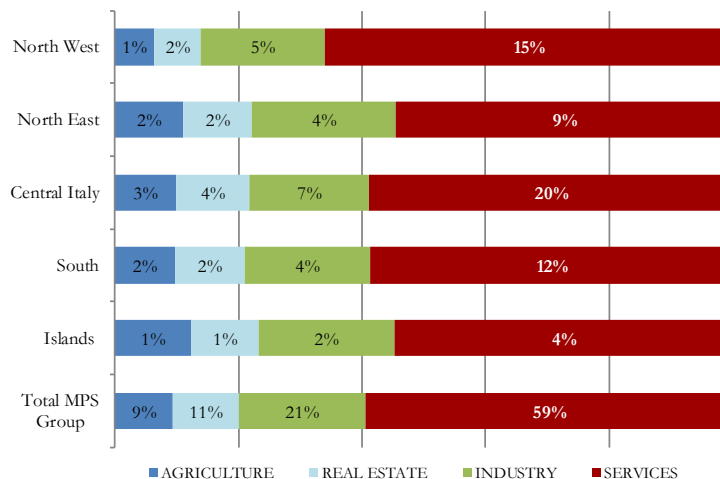


Lastly, the following graphs show, solely for Italian corporate customers, the percentage breakdown of Default Exposure by individual Geographic Area and Regulatory Capital absorption by Business Sector.

The largest share of Default Exposure for businesses in all Geographic Areas is accounted for by the “Services” sector. Out of the Group’s total exposure, the share of Services accounts for 59% and is followed by Industry (21%), Building (11%) and Agriculture (9%):

Italian Corporate customers – performing loan book as at 31 12 2025

REG EAD by geography and business segment

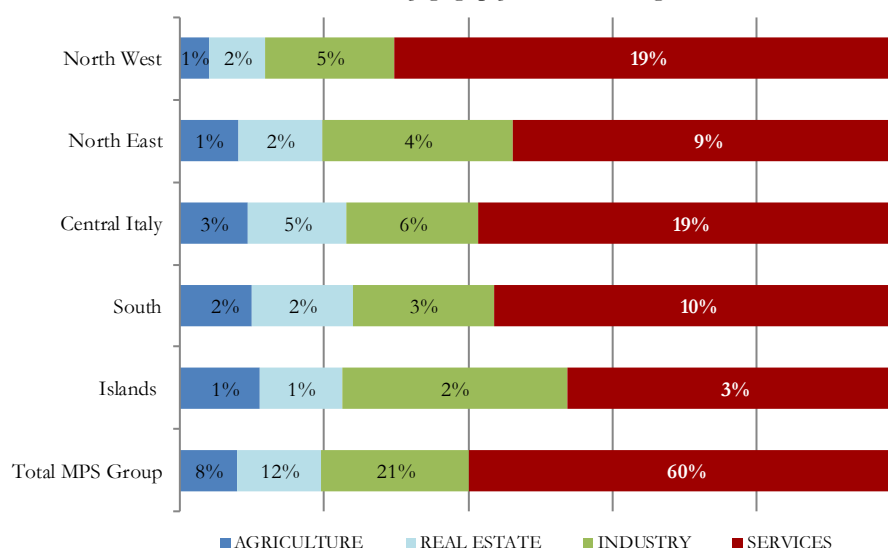


1

Also as regards Regulatory Capital (REG CAP), the greater concentration relates to the Services sector in all Geographic Areas. Of the Group total, the predominant sector remains Services (60%).

Italian Corporate customers – performing loan book as at 31 12 2025

REG CAP by geography and business segment



The comparison between expected loss and actual loss is performed on an annual basis by the internal control function as part of PD and LGD back testing procedures.

1.2 – Market risks

1.2.1 Interest rate and price risk – Regulatory trading book

Market risks relating to the Trading Book

Market risk management model for the Trading Book

The Group's Regulatory Trading Book (PNV - Portafoglio di Negoziazione di Vigilanza) comprises the set of Trading Books managed by the Parent Company (BMPS), in particular by the Chief Financial Officer (CFO) Division and the Chief Commercial Officer Large Corporate & Investment Banking (CCO LCIB or LCIB) Department and the portfolio of Mediobanca Group. From the Parent Company, derivatives trading on behalf of customers, is centralised at LCIB Department. With reference to the scope of the Mediobanca Group, the Regulatory Trading Book (PNV) is concentrated in the subsidiary Mediobanca S.p.A., which includes the "Markets Division", responsible for the structuring and distribution of investment products for corporate and institutional customers, and the Proprietary Trading division, whose activity consists in taking short-term directional exposures on a range of highly liquid instruments (shares, bonds and listed derivatives) in compliance with the Group's operating limits and risk appetite. The subsidiaries' portfolio are immune to market risk.

The market risks in the trading book are monitored in terms of Value-at-Risk (VaR) for operational purposes. The Group's Finance and Liquidity Committee is responsible for directing and coordinating the overall process of managing the Group's proprietary finance thereby ensuring that the management strategies of the various business units and legal entities are consistent.

The Group's Trading Book is subject to daily monitoring and reporting by the Risk Management function of the Parent Company and Mediobanca on the basis of proprietary systems. VaR for management purposes is calculated separately from the operating units, using the internal risk measurement model implemented by the aforementioned function, in line with leading international best practices. VaR metrics are used solely for management purposes and do not contribute to the determination of Pillar 1 regulatory capital requirements. For regulatory reporting purposes, with regard to Market Risks, the Group uses the standardised methodology provided for by the current prudential regulations.

Operating limits defined for trading activities are expressed by level of delegated authority in terms of VaR, which is diversified by risk factors and portfolios, monthly and annual stop losses, and stress. Furthermore, the trading book's credit risk, in addition to being included in VaR computations and in the respective limits for the credit spread risk component, is also subject to specific operating limits for issuer and bond concentration risk which specify maximum notional amounts by type of guarantor and rating class.

Both the Parent Company and Mediobanca use an internal model to calculate Value-at-Risk (VaR) for management and risk monitoring purposes, for the Regulatory Trading Book and for financial instruments in the Banking Book. Pending integration of the models and systems, the main features of both models are briefly described below.

The Parent Company VaR is calculated with a 99% confidence interval and a holding period of one business day. The Group adopts the method of historical simulation with daily full revaluation of all basic positions, out of 500 historical entries of risk factors (lookback period) with daily scrolling. The VaR calculated in this manner takes account of all diversification effects of risk factors, portfolios and types of instruments traded. It is not necessary to assume, a priori, any functional form in the distribution of asset returns, and the correlations of different financial instruments are implicitly captured by the VaR model on the basis of the combined time trend of risk factors. The historical scenarios used in the model are constructed as a daily variation, in terms of ratio or difference, of the individual risk factors; the realised shock is applied at the current market level making the VaR measure responsive to changing market conditions.

With reference to the Mediobanca model, Value-at-Risk is calculated using a weighted historical simulation methodology with scenarios updated daily, a one-business-day holding period and a 99% confidence level. Risk monitoring through VaR and sensitivity analysis is carried out daily to ensure compliance with the management limits safeguarding the Institution's risk appetite for the trading book and, in the case of VaR, also to assess the model's robustness through back testing. For management purposes, expected shortfall in historical simulation is also calculated daily on the overall positions subject to VaR measurement, representing the average of the potential losses that lie beyond the VaR confidence level. In addition, stress tests are carried out monthly (on the entire portfolio) on the main risk factors in order to also capture the impact of larger movements in the main market variables (for example equity indexes, rates and exchange rates), calibrated on the basis of extreme changes in market variables.

Periodically, information on market risks is transmitted to the Risk Management Committee and to the Top Bodies as part of the information flows with which Top Management and the Governing Bodies are informed about the Group's overall risk profile.

The categories of risk factors covered by the Internal Market Risk Model are: interest rates on all relevant curves, inflation curves and related volatilities (IR); share prices, indexes, baskets and relative volatilities (EQ); commodity prices (CO), exchange rates and their volatilities (FX) and credit spread levels (CS).

VaR (or diversified or net VaR) is calculated and broken down daily for internal management purposes, even with respect to other dimensions of analysis: (i) organisational/management analysis of portfolios; (ii) for financial instruments and for (iii) risk families.

It is then possible to assess VaR along each combination of these dimensions in order to facilitate highly detailed analyses of events characterising the portfolios.

In particular, with reference to risk factors the following are identified: Interest Rate VaR (IR VaR), Equity VaR (EQ VaR), Commodity VaR (CO VaR), Forex VaR (FX VaR) and Credit Spread VaR (CS VaR). The algebraic sum of these items gives the so-called Gross VaR (or non-diversified VaR), which, when compared with diversified VaR, makes it possible to quantify the benefit of diversifying risk factors resulting from holding portfolios on asset class and risk factor allocations which are not perfectly correlated. This information can also be analysed along all the dimensions referenced above. In the Mediobanca model, the commodity risk factor is included within Equity VaR.

The model enables the production of diversified VaR metrics in order to get an integrated overview of all the effects of diversification that can be generated among the portfolios on account of the specific joint positioning of the various business units.

Moreover, scenario and stress-test analyses are regularly conducted on various risk factors consistent with the stress test programme approved by the Board of Directors, with different degrees of granularity across the entire tree structure of the Group's portfolios and for all categories of instruments analysed. Stress tests are used to assess the Group's capacity to absorb large potential losses in extreme market situations, so as to identify the measures necessary to reduce the risk profile and preserve assets.

Stress tests are developed on the basis of discretionary and trend-based scenarios. Trend-based scenarios are defined on the basis of previously registered real situations of market disruption. Such scenarios are identified based on a time frame in which risk factors were subjected to stress. No particular assumptions are required with regard to the correlation among risk factors since trend-based data for the stress period identified has been measured.

Stress tests based upon discretionary scenarios assume extreme changes occurring to certain market parameters (interest rates, exchange rates, prices of goods and shares, stock indices, credit spreads and volatility) and measure the corresponding impact on the value of portfolios, regardless of their actual occurrence in the past. Simple discretionary scenarios are currently being developed (variation of a single risk factor) as are multiple ones (variation of several risk factors simultaneously). Simple discretionary scenarios are calibrated to independently deal with one category of risk factors at a time, assuming shocks do not spread to the other factors. Multiple discretionary scenarios, on the other hand, aim to assess the impact of global shocks that simultaneously affect all types of risk factors.

It should be noted that the VaR methodology described above is also applied for internal management purposes to that portion of the Banking Book consisting of financial instruments similar to trading instruments (FVTPL), e.g. equities/bonds held in portfolios classified for accounting purposes among the 'financial assets compulsorily measured at fair value' (FVTPLM), 'financial assets measured at fair value with impact on comprehensive income' (FVOCI) and 'financial assets measured at amortised cost' (AC). The measurements and the charts below refer to the Regulatory Trading Book.

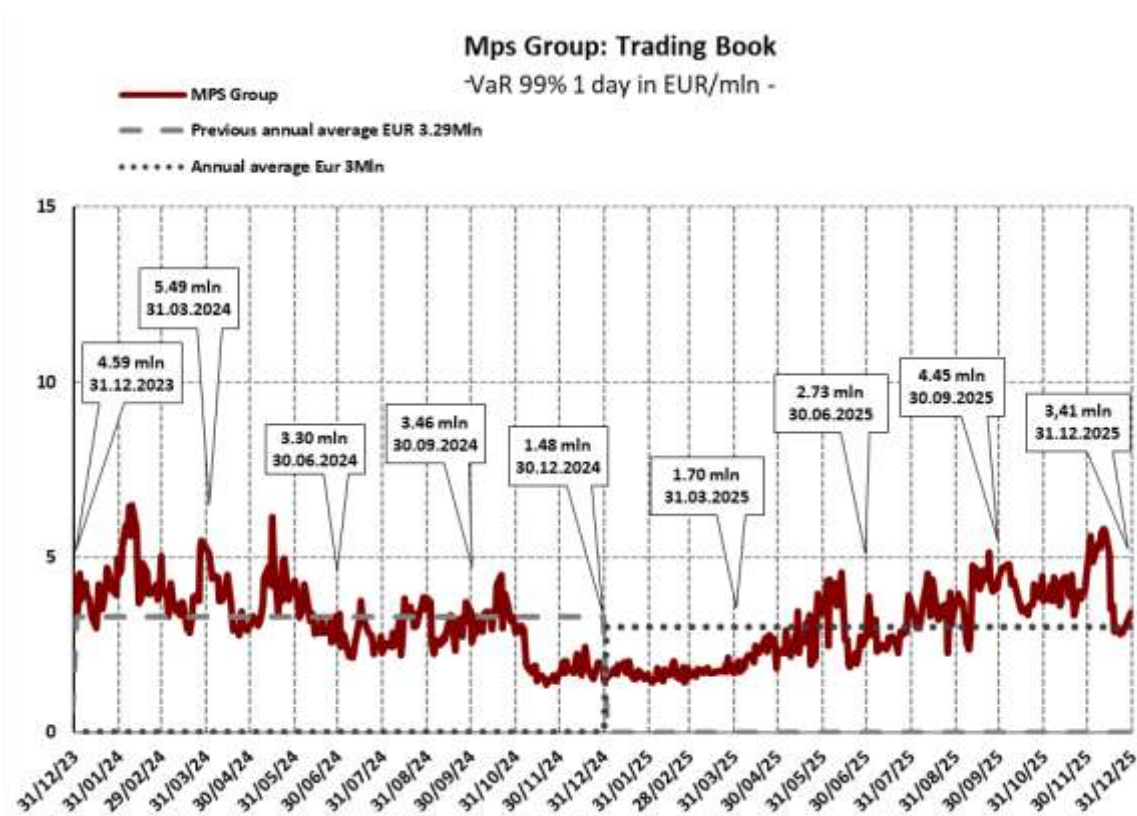
During 2025, the market risks of the Group's Regulatory Trading Book (net of Mediobanca Group) showed, in terms of VaR, a performance determined by a trend driven by the operations of the Parent Company's LCIB Department, mainly for proprietary trading activities in the Credit Spread and Interest Rate segments (transactions in Italian government bonds and hedges via swaps and long futures) and, to a lesser extent, client-driven activities in the Equity and Credit Spread segment related to the structuring of bancassurance products. The CFO Department's portfolio contribution to total VaR was negligible.

The Group's VaR has remained at slightly lower average levels compared to the previous year, by virtue of maintaining a general process of risk containment.

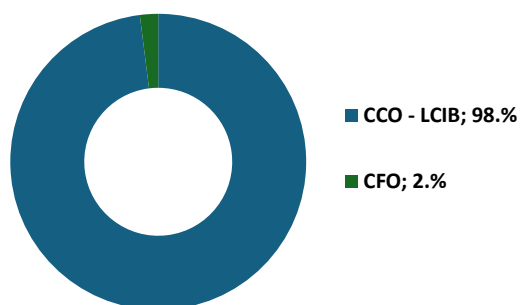
VaR volatility, albeit limited over the year, was affected by the operations of the auctions on Italian government bonds for primary dealer activities, with temporary changes in the overall CS Italy risk exposure, primarily short term.

Despite some temporary increases in exposure in conjunction with the auctions for the aforementioned primary dealer activities, the average holding of Italian sovereign securities in the Group's trading portfolios remained low during the year (annual average of EUR 2.9 bn in nominal terms), higher than the 2024 average (approx. EUR 1.1 bn). The chart below shows the trend of the Group's Regulatory Trading Book VaR, excluding the scope arising from the acquisition of Mediobanca, for which there is a dedicated section.

The VaR level observed is consistent with the risk profile approved by the Board of Directors.

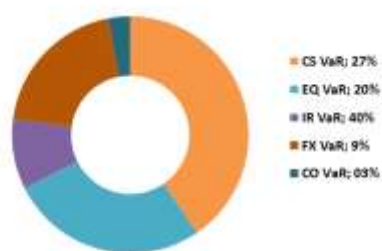


VaR MPS Group
Trading Book
VaR Breakdown per Banca: 31.12.2025



With reference to the Parent Company management, LCIB CCO contributed 98% to the overall risk as at 31 December 2025, while the CFO contributed 2%.

VaR MPS Group
Trading Book
VaR Breakdown per Risk Factor: 31.12.2025



A breakdown of VaR by risk factors shows that 40.3% of the Group's portfolio consists of interest rate risk factors (IR VaR), 27.4% of credit spread risk factors (CS VaR), 20% of equity risk factors (EQ VaR), 9.2% of foreign exchange risk factors (FX VaR) and the remaining 3.1% of commodity risk factors (CO VaR).

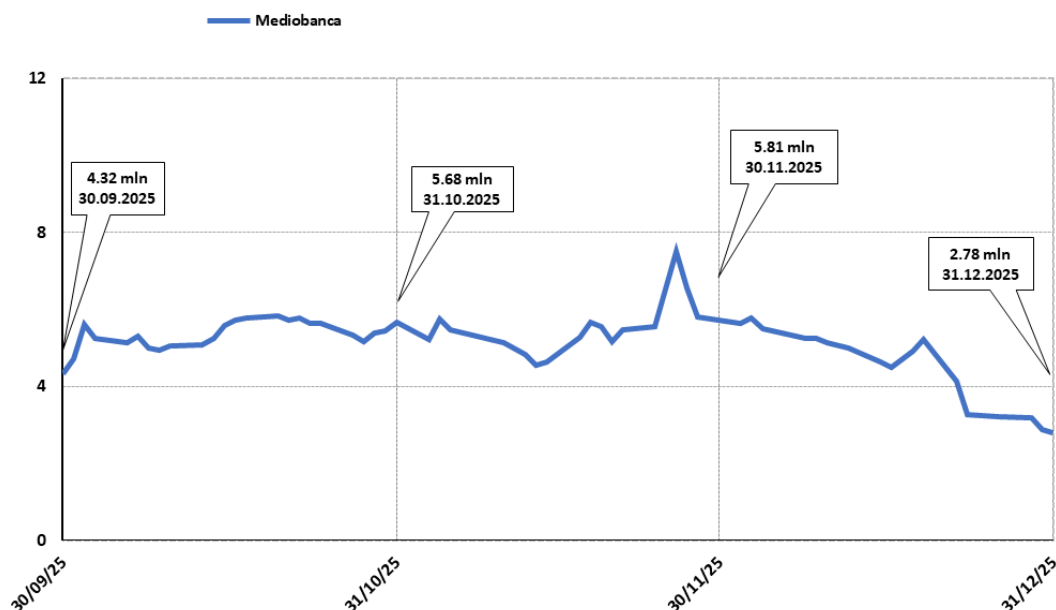
Group VaR PNV 99% 1 day in EUR/mIn

	VaR	Data
End Period	3.41	31/12/2025
Min	1.42	03/02/2025
Max	5.83	11/12/2025
Average	3.00	

In 2025, the Group's VaR in the Regulatory Trading Book ranged between a high of EUR 5.83 mln recorded on 11 December 2025 and a low of EUR 1.42 mln on 3 February 2025 recording an average of EUR 3 mln, slightly down from the previous year. The Regulatory Trading Book VaR at the end of 2025 was EUR 3.41 mln.

Mediobanca: Trading Book

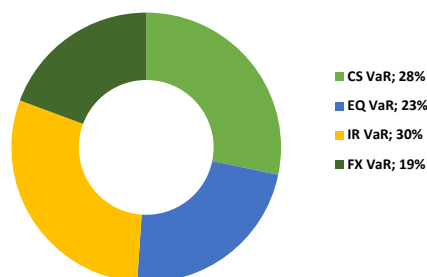
- VaR 99% 1 day in EUR/mIn -



With reference to the Regulatory Trading Book of the subsidiary Mediobanca, Value-at-Risk is mainly explained by the following risk factors:

- the yields on Italian government bonds and those of core Euro Area countries, in which the Proprietary Trading division invests;
- greater directionality in exposures to implied volatility in the equity market, mainly linked to the activity carried out by the Markets Division.

VaR Mediobanca
Trading Book
VaR Breakdown per Risk Factor: 31.12.2025



In terms of VaR composition by risk factor, Mediobanca's portfolio consists of 30% interest rate risk factors (IR VaR), 28% credit spread risk factors (CS VaR), 23% equity risk factors (EQ VaR) and 19% foreign exchange risk factors (FX VaR).

■ Mediobanca

VaR PNV 99% 1 day in EUR/mln

	VaR	Data
End Period	2.78	31/12/2025
Min	2.78	31/12/2025
Max	7.50	26/11/2025
Average	4.91	

The average Value-at-Risk for the period under review stood at EUR 4.91 mln, reaching its highest value in November (EUR 7.5 mln) before decreasing to its lowest value at the end of the year (EUR 2.78 mln), following a reduction in volatility in the main risk factors and as a result of a reduction in equity risk exposure to certain equity issuers in which the Proprietary Trading portfolio invests.

VaR model back testing

The Group has implemented a back testing procedure compliant with current regulations governing Market Risk as part of its own risk management system.

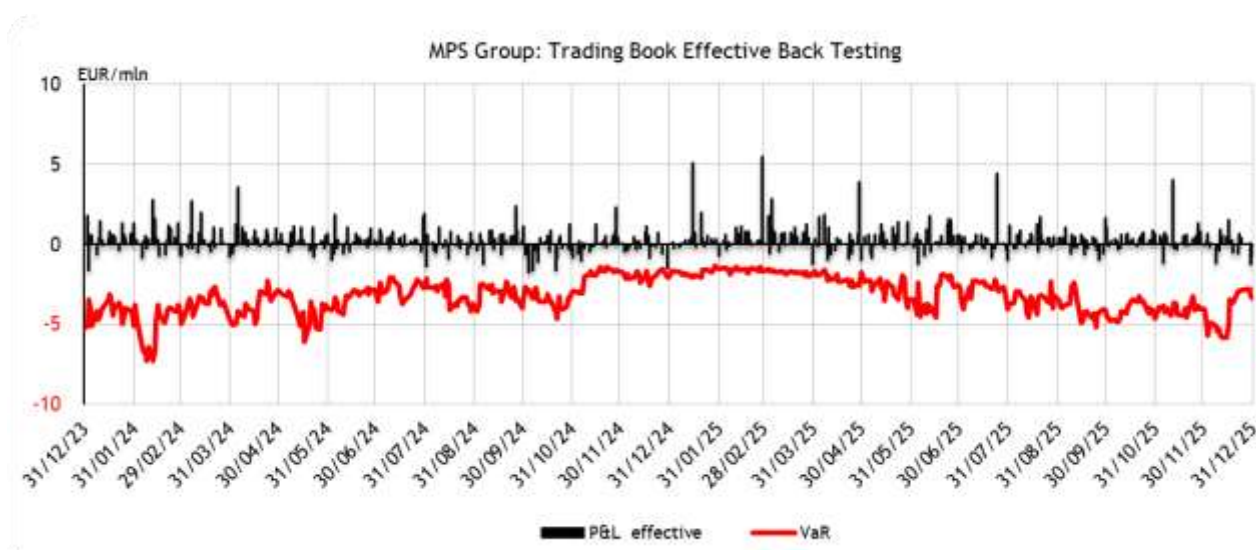
Back testing refers to a series of tests conducted on VaR model results against day-to-day changes in the trading book value, with a view on assessing the model's forecasting capacity as regards the accuracy of the calculated risk metrics. If the model is robust, by periodically comparing the estimated daily VaR in t-1 against the results of the trading activity in t, it should be possible to determine that the actual losses are greater than the VaR with a frequency consistent with that defined by the confidence level.

Based on current supervisory instructions, the Risk Management Function considered it appropriate to apply the actual back testing methods, integrating these into the Group's management reporting system.

The actual back testing meets the need for verifying the VaR model's forecasting reliability in reference to the actual Group operations (daily trading profit and losses) less the effect of any interest accrued between trading days t-1 and t on bonds, and less the effect of fees and commissions.

These results 'cleaned' of income statement components are compared with the VaR of the previous day. If the losses are greater than those forecast by the model an "exception" is recorded.

The chart below shows the actual backtesting results of the internal Market Risks model in relation to the Group's Regulatory Trading Book for 2025 (net of Mediobanca Group):



No exceptions emerged from the back test during 2025, evidencing full consistency between the actual losses observed and the model's confidence level.

Also with reference to the back testing carried out on Mediobanca's Regulatory Trading Book, no exceptions were recorded during the last quarter of 2025.

Structured credit product

As at 31 December 2025, the Group's structured credit securities segment was not particularly significant in terms of either total financial assets or total assets.

These investments are subject to risk limits defined by the Board of Directors and monitored daily by the Parent Company's Risk Management function; The Bank defines Stop Loss, risk and nominal limits for maximum exposure for major issuer categories, broken down by *rating*.

As at 31 December 2025, there were no direct or indirect exposures to US sub-prime mortgage loans, Alt-A or monoline insurers.

Positions in Securitisations of third-party issuers

As at 31 December 2025, the Group held a portfolio of third-party securitisations with a total book value of EUR 2,150.1 mln, of which EUR 2,139.9 mln referred to Mediobanca, compared with EUR 25.7 mln as at 31 December 2024.

As of the reporting date, the portfolio was split between EUR 1,707.9 mln, of which EUR 1,706.7 mln referred to Mediobanca, allocated to the Banking Book and EUR 442.2 mln, of which EUR 433.2 mln referred to Mediobanca; to the Trading Book (As at 31 December 2024 the banking book and trading book amounting respectively EUR 1,233.2 mln and EUR 280.1 mln).

No specific exclusions from the scope of analysis were identified, as the outstanding exposures do not display characteristics comparable to securitisation transactions originated by the Group or attributable to vehicles connected with previous deconsolidation transactions.

With reference to the type of underlying receivables subject to securitisation, the portfolio is composed mainly of commercial mortgages for 16%, non-performing loans for 12%, while the remaining part consists mainly of CLOs.

From a geographical perspective, 18% of the transferred receivables relate to Italy, while the remainder relates almost entirely to Europe.

Overall, 82% of exposures, in book value terms, consist of securities with Investment Grade credit quality (ratings up to and including BBB-). With reference to the structure of the tranches held, senior tranches account for 87% of exposures, mezzanine tranches for 13%, while there are no exposures in junior/equity tranches.

Lastly, 15% of exposures are covered through financial guarantees, resulting in no balance sheet volatility.

From an economic point of view, the following is noted: a positive component respectively under item 80 of the income statement "Net profit (loss) from trading" for EUR 1.2 mln (of which EUR 0.2 mln related to Mediobanca) and under item

10 "Interest income and similar revenues" for EUR 4.8 mln (of which EUR 32.6 mln related to Mediobanca). Finally, within the portfolio of financial assets measured at amortised cost, a write-down of EUR 4.0 mln was recognised (of which 2.6 related to Mediobanca) under item 130 "Net impairment (losses)/reversals for credit risk".

Credit Derivative Positions

All exposures analysed in this section are standardised credit indices, synthetic tranches, options on credit indices and single-name CDS.

As at 31 December 2025, the net exposures to this type of derivatives had a negative book value of EUR 184.6 mln (EUR 124.5 mln negative as at 31 December 2024) of which EUR 144.3 mln positive related to Mediobanca; these financial instruments are all attributable to the Trading Portfolio.

From an economic point of view, a positive result of EUR 37.8 mln was recorded under item 80 "Net profit (loss) from trading" (EUR 18.2 mln related to Mediobanca).

Qualitative Information

A. General aspects

Each bank of the MPS Group which is relevant as a market risk-taking centre contributes to the generation of interest rate risk and price risk in the overall Trading Book, which are concentrated on the Parent Bank (BMPS) and Mediobanca SpA. As mentioned above, the other subsidiaries' portfolios are closed to market risks.

Trading activities are mainly carried out by the Parent Company's LCIB Department for liquidity providing/market making activities through the offer of products and services for corporate and institutional customers (bancassurance products, hedging derivatives, structured bonds and certificates). Operations are characterised by active risk management with a view to risk warehousing and opportunistic proprietary trading positioning represented by typically short/medium-term strategies with position rotation, diversification of risk sources and restriction to liquid instruments with low transaction costs.

With reference to the subsidiary Mediobanca SpA, trading activities are carried out by the Markets Division, which is responsible for structuring and distributing investment products for corporate and institutional customers, and by a Proprietary Trading desk which assesses the assumption of directional exposures on a set of highly liquid instruments (equities, bonds and listed derivatives) in compliance with the Bank's RAS limits and within the operating limits allocating that risk to each desk.

A.1 Interest rate risk

With reference to the Parent Company, trading activities are mainly carried out by the Global Markets structure of the CCO - LCIB Department and, to a limited extent, by the Finance Treasury and Capital Management (FTCM) structure of the CFO Department, functional to yield enhancement, protection and profitability support of the Banking Portfolio.

The LCIB function manages a proprietary portfolio which takes trading positions on interest rates and credit. In general, interest rate positions are taken by purchasing or selling bonds, and by creating positions in listed derivatives (futures) and OTCs (e.g. IRS, swaptions). Trading is carried out exclusively on the Bank's own behalf, with objectives of absolute return, in compliance with the delegated limits of monthly and yearly VaR and stop loss.

In particular, the above mentioned function operates in the short-term portion of the main interest rate curves, mostly through bonds and listed derivatives.

With regard to credit risk in the trading book, the equity positions are generally managed through the purchase or sale of bonds issued by companies or by creating synthetic positions in derivatives. The activity is oriented to achieve a long or short position on individual issuers, or a long or short exposure on specific market sectors. The activity is carried out solely on the Bank's own behalf with objectives of absolute return and in compliance with other specific issuer and concentration risk limits.

With reference to Mediobanca, the Proprietary Trading portfolio takes trading positions in interest rates and credit. In general, interest rate positions are taken both through the purchase or sale of bonds and through the construction of strategies using listed derivatives (e.g. options on interest rate futures, futures) and OTC derivatives (e.g. IRS, swaptions).

Trading is carried out exclusively on the Bank's own behalf, with objectives of absolute return, in compliance with the delegated limits of monthly and yearly VaR and stop loss.

With regard to the credit risk also present in the Proprietary Trading portfolio, positions in securities are generally managed through the purchase or sale of bonds issued by companies or through the creation of synthetic positions in derivatives. The activity is oriented to achieve a long or short position on individual issuers, or a long or short exposure on specific market sectors.

The Markets Division is also involved in hedging Mediobanca's DVA risk linked to the business of Certificates issued by Mediobanca and accounted for in trading, and invests in corporate and financial bonds correlated with Mediobanca's creditworthiness.

A.2 Price risk

Also in relation to price risk factor, the Business Area in charge of the trading activity is the Global Markets structure of the CCO - LCIB Department, which manages a proprietary portfolio and assumes trading positions on equities, indices and commodities, mainly related to client-driven activities. In general, positions on equity securities are taken both through the purchase/sale of equities and through the positions created in listed derivatives (e.g. futures) and OTC (e.g. options). Commodity positions refer to Client-Driven activities serving commercial clients through trading in OTC derivatives (e.g. commodity swaps) with exposure hedges through listed instruments (e.g. commodity futures). Trading is carried out exclusively on the Bank's own behalf, with objectives of absolute return, in compliance with the delegated limits of monthly and yearly VaR and stop loss. Similarly for the CFO Department, trading activities, which are limited in scope, are carried out by the FTCM function.

With reference to Mediobanca, the Proprietary Trading portfolio captures arbitrage opportunities by investing in equities involved in M&A transactions. Residual positions are held in derivatives used mainly for hedging purposes.

Within the Markets Division, as activities are mainly client-driven, positions are taken through the construction of strategies in listed derivatives (options, futures) and OTC derivatives (options, equity swaps). The division is also responsible for managing the hedges of the risk linked to the equity-linked certificates business.

B. Interest rate risk and price risk: operational processes and measurement methods

With regard to the market risk management process concerning the management and methods for measuring interest rate and price risk, see the above paragraph entitled "Market risk management model for the trading book".

Quantitative Information

1. Regulatory Trading Book: breakdown of balance sheet financial assets/liabilities and financial derivatives by residual life (repricing date).

This table was not prepared since an analysis of the Regulatory Trading Book's sensitivity to interest rate risk and price risk is produced based on internal models.

2. Regulatory Trading Book: breakdown of exposures in equity instruments and stock indices by major countries of the listing market.

This table was not prepared since an analysis of the Regulatory Trading Book's sensitivity to interest rate risk and price risk is produced based on internal models.

3. Regulatory Trading Book: internal models and other sensitivity analysis methods

The rate and price risk of

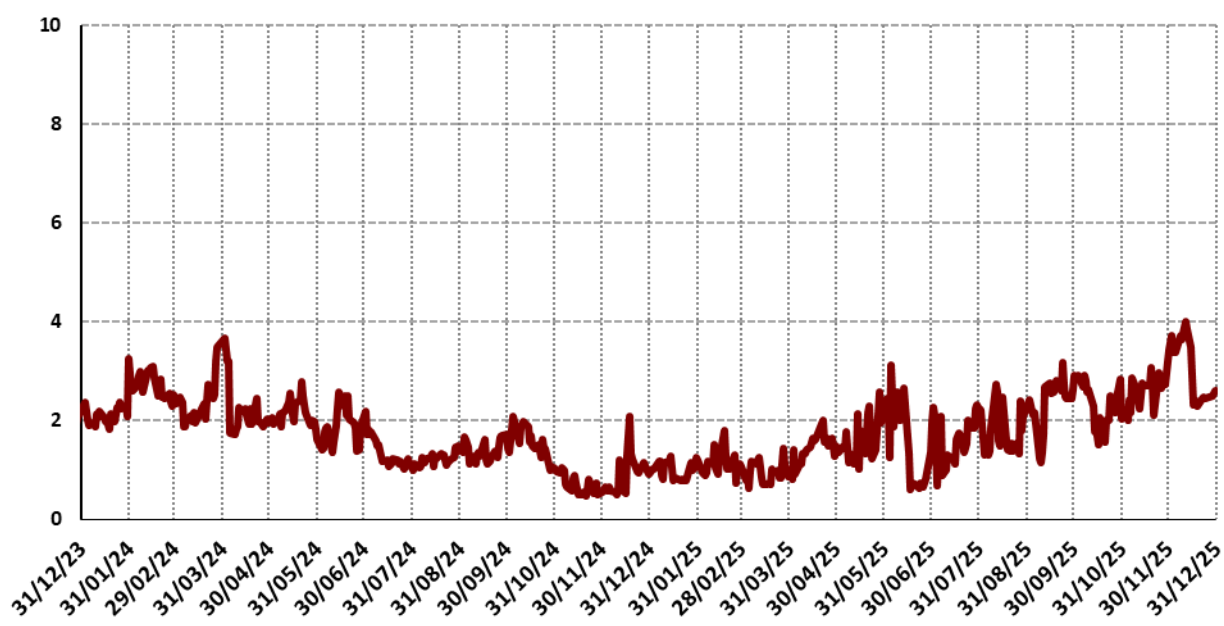
the Trading Book is monitored in terms of VaR and scenario analysis.

3.1 Interest rate risk

Each business unit within the Group operates independently on the basis of the objectives and powers it has been assigned. The positions are managed by special desks provided with specific operational limits. Each desk adopts an integrated risk management approach (covering more than rate risk, when allowed) in order to benefit from the natural hedge resulting from simultaneously holding positions on risk factors that are not perfectly correlated. The VaR by risk factor (specifically, Interest Rate VaR) has operational relevance for the purpose of risk management analyses, even though it is the global VaR diversified among risk factors and portfolios that is used by the operating units. Set out below is information on the diversified Interest Rate VaR of the MPS Group's Regulatory Trading Book (excluding the scope resulting from the acquisition of Mediobanca, for which a dedicated chart is provided):

Montepaschi Group: Trading Book

- VaR Interest Rate 99% 1 day in EUR/mIn -



The trend in Interest Rate VaR during 2025 was influenced by the trading activities of the LCIB Department, primarily in bonds and derivatives. The portfolio was managed by maintaining a limited exposure to interest rate risk factors and, as a result, the Interest Rate VaR metric was limited in size and characterised by low volatility, standing at EUR 2.59 mln at the end of December, above the average for the year.

■ Montepaschi Group

VaR PNV IR 99% 1 day in EUR/mIn

	VaR	Data
End Period	2.59	31/12/2025
Min	0.60	17/06/2025
Max	4.01	11/12/2025
Average	1.77	

Simulations include the following interest rate risk scenarios:

- +100 bps parallel shift for all interest rate and inflation curves;
- -100 bps parallel shift for all interest rate and inflation curves;
- +1 point parallel shift for all volatility surfaces of interest rate curves.

The positions are all accounted for as financial assets held for trading. Below is the overall effect of the scenario analyses:

■ Montepaschi Group: Trading Book

EUR/mln

Risk Family	Scenario	Overall Effect
Interest Rate	+100bp on each curve	(8.17)
Interest Rate	-100bp on each curve	6.65
Interest Rate	+1 point interest rate volatility	0.05

Also set out below is information on the diversified Interest Rate VaR of Mediobanca's Regulatory Trading Book:



Considering Mediobanca's Regulatory Trading Book, a parallel *shift* of +1 bp in all interest rate curves and inflation curves results in an effect of EUR -0.07 mln, while the increase in the volatility surfaces of the interest rate curves has an impact of EUR -0.25 mln.

To complete the analysis of interest rate risk, details are also provided of the credit spread risk of the Group's Trading Book (excluding the Mediobanca scope, for which a dedicated chart is provided), linked to the volatility of issuers' credit spreads. The VaR by risk factor (specifically, Credit Spread VaR) has operational relevance for the purpose of risk management analyses, even though the operating units use the overall VaR diversified among all risk factors and portfolios.



In 2025, the trend in Credit Spread VaR was mainly affected by trading activities of the LCIB Department, primarily in Italian short-term government bonds, linked to cycles of auctions, with partial derivatives hedging (medium BTP futures). At the end of December, the Credit Spread VaR stood at EUR 1.77 mln, slightly lower than the average for the year.

■ Montepaschi Group

VaR PNV CS 99% 1 day in EUR/mlin

	VaR	Data
End Period	1.77	31/12/2025
Min	0.93	02/01/2025
Max	3.05	13/01/2025
Average	2.07	

For the purposes of sensitivity analysis, the simulation scenario is a +1 bp parallel shift for all credit spreads. The positions are all accounted for as financial assets held for trading. Below is the overall effect of the scenario analyses:

■ Montepaschi Group:

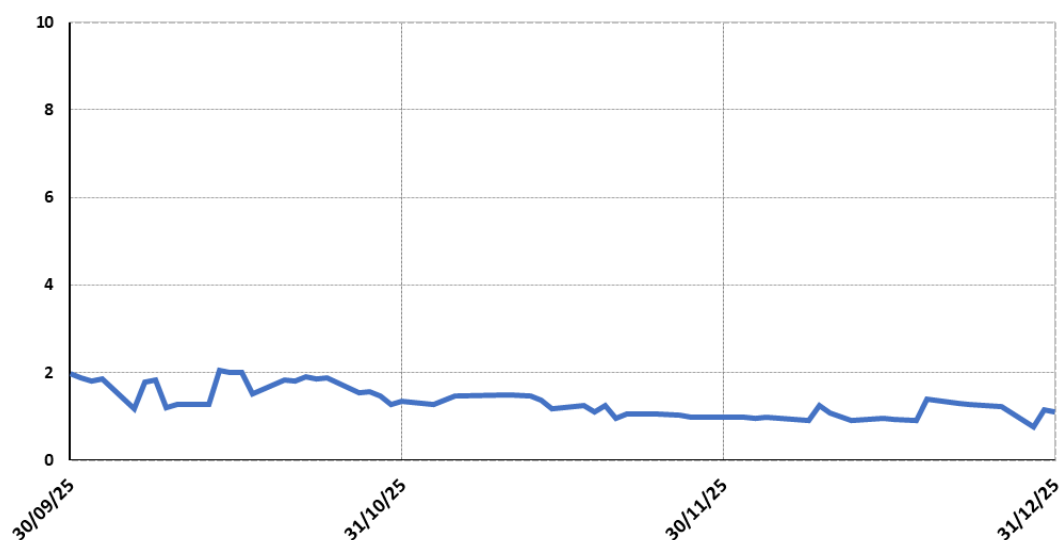
Trading Book

EUR/mlin

Risk Family	Scenario	Overall Effect
Credit Spread	+1bps on each curve	(0.22)

Mediobanca: Trading Book

- VaR Credit Spread 99% 1 day in EUR/mlin -



For the purposes of sensitivity analysis on Mediobanca's Regulatory Trading Book, a +1 bp parallel shift in all credit spreads results in a total effect of EUR 0.24 mln.

3.2 Price risk

Each business unit within the Group operates independently on the basis of the objectives and powers it has been assigned. The positions are managed by special desks provided with specific operational limits. Each desk adopts an integrated risk management approach (covering more than price risk, when allowed) in order to benefit from the natural hedge resulting from simultaneously holding positions on risk factors that are not perfectly correlated. The VaR by risk factor (specifically, Equity VaR and Commodity VaR) has management relevance for the purpose of risk management analyses, even though it is the global VaR diversified among risk factors and portfolios that is used by the operating units.

Set out below is information on the diversified Equity VaR relating to the MPS Group (excluding the scope resulting from the acquisition of Mediobanca, for which a dedicated chart is provided):



In 2025, the Equity VaR, which was of limited volatility, was influenced by the LCIB Department's activities related to the structuring and hedging of bancassurance products, and to a lesser extent by the trading activities, mostly on options and futures with key market indexes as underlying. At the end of December, the Equity VaR came to EUR 1.29 mln, slightly below the average for the year.

■ Montepaschi Group		
VaR PNV EQ 99% 1 day in EUR/mIn		
	VaR	Data
End Period	1.29	31/12/2025
Min	0.65	07/04/2025
Max	3.13	22/08/2025
Average	1.40	

The simulated price scenarios are as follows:

- +1% of each equity or index price;
- -1% of each equity or index price;
- +1 point of all volatility surfaces of all equity risk factors.

The positions are all accounted for as financial assets held for trading. Below is the overall effect of the scenario analyses for the equity component:

■ Montepaschi Group: Trading Book

EUR/mln

Risk Family	Scenario	Overall Effect
Equity	+1% Equity Prices (prices, indices)	0.11
Equity	-1% Equity Prices (prices, indices)	(0.09)
Equity	+1 point Equity Volatility	0.71

Set out below is information on the Equity VaR relating to Mediobanca's Regulatory Trading Book:



For the purposes of sensitivity analysis on Mediobanca's Regulatory Trading Book, a +1% shift in Equity prices results in a total effect of EUR -0.27 mln, while the impact arising from Equity volatilities amounts to EUR -0.55 mln.

In terms of exposure to commodity risk, during the year trends in the Commodity VaR, which were negligible in absolute terms, were affected by the LICB Department due to activities carried out in support of the customers, primarily on commodity swaps, and exposure hedges through commodity futures with underlying the main listed commodity indices. At the end of December, the Commodity VaR came to EUR 0.20 mln, slightly above the average for the year.



■ **Montepaschi Group**

VaR PNV CO 99% 1 day in EUR/mIn

	VaR	Data
End Period	0.20	31/12/2025
Min	0.02	10/03/2025
Max	0.30	12/12/2025
Average	0.13	

The simulated price scenarios are as follows:

- +1% of each commodity price;
- -1% of each commodity price;
- +1 point of all volatility surfaces of all commodity risk factors.

The positions are all accounted for as financial assets held for trading.

Below is the overall effect of the scenario analyses for the Commodity component:

■ **Montepaschi Group**

EUR/mIn

Risk Family	Scenario	Overall Effect
Commodity	+1%Commoditiy Prices	0.02
Commodity	-1% Commoditiy Prices	(0.02)
Commodity	+1 point Commodity Volatility	0.00

For the purposes of sensitivity analysis on Mediobanca's Regulatory Trading Book, a +1% shift in commodity prices results in a total effect of EUR 0.06 mIn, while no effects arise from volatilities.

1.2.2 Interest rate and price risk - Banking Book

Qualitative Information

A. General aspects, operational processes and measurement methods for interest rate risk and price risk

A.1 Interest rate risk

The Banking Book consists of all exposures not included in the Trading Book and, in accordance with international best practices, identifies the set of the Group's commercial trades connected to the transformation of maturities in the assets and liabilities and Asset Liability Management - ALM financial activities (treasury and risk hedging derivatives).

The strategic choices regarding Banking Book interest rate risk are based on interest rate risk measures expressed in terms of changes in both economic value and net interest income.

With reference to the sensitivity test on economic value, the Montepaschi Group applies a predefined set of interest rate scenarios in line with the Basel guidelines, which envisage non-parallel movements of the curve aside from parallel shifts of 25, 100 and 200 bps. As net interest income analyses focus on the short term, they consider exclusively the application of parallel scenarios. The economic value sensitivity measures are determined by clearing the origination of the cash flows of the components not directly relating to interest rate risk.

The Group is committed to the continual updating of risk measurement methodologies by gradually fine-tuning the estimation models so as to include all major factors that progressively modify the interest rate risk profile of the banking book.

Risk metrics are calculated by using a model for the valuation of demand items (Non-Maturity Deposits, NMDs) whose characteristics of stability and partial insensitivity to interest rate changes are described in the systems with a statistical approach which takes into consideration the time series of customer behaviours.

The Montepaschi Group, in order to take account of the prepayment phenomenon in the Parent Company's cluster of performing residential fixed-rate retail mortgage loans and in the MB Premier mortgage loan cluster, uses scenario-dependent behavioural models based on survival analysis, as well as simplified approaches for the complementary part of the overall portfolio. A dedicated approach is reserved for the treatment of *non-performing loans* net of their credit impairment.

As at 31 December 2025, the corporate, organisational and governance structures of the Montepaschi Group, following the acquisition and control of Mediobanca and its subsidiaries, were still being defined.

The Group adopted an interest rate risk governance and management system, known as the IRRBB Framework. It used:

- a quantitative model, which provided the basis for monthly calculation of the exposure of the Group and the individual companies to interest rate risk in terms of risk indicators;
- risk monitoring processes, aimed at periodically verifying compliance with the operational limits (risk limits and risk tolerance) assigned to the Group overall and to the individual legal entities within the RAS;
- risk control and management processes, geared toward bringing about adequate initiatives for optimising the risk profile and activating any necessary corrective actions in the case of exceptions from and/or misalignments with the *IRRBB Strategy*.

Within the above system, the Parent Company, net of the Mediobanca Group, centralised responsibility for:

- definition of strategic and operational policies for managing the Group's Banking Book and controlling its interest rate risk;
- coordination of Group policies' implementation by the companies included in the scope;
- governance of the Group's short-, medium- and long-term rate risk position, both overall and at individual company level, through centralised operational management.

In its governance function, the Parent Company therefore defined criteria, policies, responsibilities, processes, limits and instruments for rate risk management.

The Group Companies included in the scope of application were responsible for abiding by the rate risk policies and limits defined by the Parent Company and the requirements set by the relevant Supervisory Authorities.

Within the model defined, the Finance, Treasury and Capital Management unit (FTCM) of the Parent Company was responsible for the operational management of the Group's overall interest rate and liquidity risk.

More specifically, within FTCM, the Proprietary Finance function managed short-term interest rate risk and structural interest rate risk. In addition, FTCM carried out hedge monitoring and management activities consistent with accounting policies, involving centralised oversight for definition of the network's internal rates (BMPS and other Group companies) for euro and foreign currency transactions with maturities beyond the short term.

A.2 Price risk

The Group's Banking Book, subject to price risk, consists primarily of equity investments, equities and UCITS, measured at fair value. Trading in UCITS is carried out exclusively through the direct purchase of the funds/SICAVs, with no use being made of derivative contracts. Exposure to commodities of the Group's Banking Book was equal to zero.

Price risk measurement is carried out on positions held primarily for strategic or institutional/instrumental purposes.

The instrument used for measuring price risk applied to equity securities and UCITS, other than equity investments, is the VaR, the methodology of which is described in Section 2 - "Market risks" of this Part E of the Notes to the financial statements.

Stress tests are conducted regularly as part of price risk governance strategies for the banking book in order to assess the Group's ability to absorb potential losses resulting from extreme events.

With reference to the equity investments component, the internal measurement system uses, for determining the Internal Capital, a metric borrowed from the Supervisory approach according to the standard method. This method provides for assigning equity instrument exposures a risk weight of 250%, or 400% if speculative, with a phase-in of the risk weights from 2025 to 2029, unless they must be deducted from Own funds. The deduction mechanisms from Own funds under the current prudential rules (CRD6/CRR) also include non-significant investments in entities in the financial sector exceeding the regulatory thresholds (<10%). The most significant part of the MPS Group's equity investments portfolio is included in the aggregate of significant investments in other entities in the financial sector.

With reference to the Mediobanca scope, the portfolio consists mainly of equity investments, listed and unlisted equities and units in UCITS measured at fair value. Investments in funds mainly relate to funds managed by companies within the Group's scope (so-called seed capital).

Quantitative Information

1 Banking book: breakdown of financial assets and liabilities by residual life (repricing date)

This table has not been prepared since an analysis of the banking book's sensitivity to interest rate risk and price risk is produced based on internal models.

2 Banking book: internal models and other sensitivity analysis methods

2.1 Interest rate risk

The sensitivity of the Group's economic value (EVE) over the full year 2025, was indicative of exposure to rate hike risk. The year-end level, in the +100 bps scenario, stood at EUR -497.5 mln, of which EUR -190.9 mln is attributable to the Mediobanca Group. On a consolidated basis excluding the Mediobanca Group, the negative sensitivity of economic value at risk, for a +100 bps parallel shift in the interest rate curves, averaged EUR -369.2 mln in 2025, with a minimum of EUR -306.6 mln and a maximum of EUR -471.0 mln. On a consolidated basis excluding the Mediobanca Group, the reduction in negative sensitivity between the year-end 2025 figure and the year-end 2024 figure, amounting to EUR +81.5 mln, is mainly attributable to the increase in fixed-rate asset exposures.

The sensitivity of the Group's 1-year net interest income (NII) over the full year 2025 shows a risk exposure to a downward shift in the interest rate curve. The year-end level, in the -100 bps scenario, stood at EUR -145.8 mln, of which EUR -38.0 mln is attributable to the Mediobanca Group. On a consolidated basis excluding the Mediobanca Group, the negative sensitivity of net interest income, for a -100 bps parallel shift in the interest rate curves, averaged EUR -140.3 mln in 2025, with a maximum of EUR -171.0 mln and a minimum of EUR -107.9 mln. On a consolidated basis excluding the Mediobanca Group, the year-end 2025 level of negative sensitivity is substantially in line with the year-end 2024 figure.

IRRBB Sensitivity (Eur/mln)								
Metrics	Shock Scenario	Montepaschi Group	Of which: Mediobanca Group	of which: consolidated figure excluding the Mediobanca Group				
		31 12 2025	31 12 2025	31 12 2025	[Jan-25; Dec-25]			31 12 2024
					Min.	Max.	Average	
EVE	+100 bps	-497,5	-190.9	-306.6	-306.6	-471	-369.2	-388.1
EVE	-100 bps	256,0	79.9	176.1	176.1	372.8	247.5	294.2
NII	+25 bps	36,3	9.6	26.7	26.7	38.1	31.7	28.4
NII	-25 bps	-36,4	-9.6	-26.8	-26.8	-39.3	-33.5	-28.5
NII	+100 bps	115,3	8.7	106.6	105.9	149.3	120.8	103.7
NII	-100 bps	-145,8	-38	-107.9	-107.9	-171	-140.3	-114.2

Note that the risk measures in question do not consider the contribution of the subsidiary Monte Paschi Banque S.A., which is classified as discontinued operations under IFRS 5.

At 31 December 2025, the regulatory limits in terms of Supervisory Outlier Test for EVE and NII were met.

The internal measurement system is independently developed by the Risk Management function of the Parent Company, which periodically reports on the extent of portfolio risks and their changes over time. The results are regularly brought to the attention of the Parent Company's Risk Management Committee and governing bodies.

2.2 Price risk

Shown below is a scenario analysis which includes all directional positions assumed by the Group in equity securities and UCITS, measured at fair value (e.g. securities classified as "Financial assets measured at fair value through other comprehensive income" and as "Financial assets mandatorily measured at fair value"):

■ Montepaschi Group: Banking Book

EUR/mln

Risk Family	Scenario	Effect on Net Banking Income and Economic result	Effect on Net Capital	Overall Effect
Equity	+1% Equity Prices (prices, indic	2.33	1,75	4,08
Equity	-1% Equity Prices (prices, indic	(2.33)	(1.75)	(4.08)
Equity	+1% Equity Prices (prices, indi	0	0	0

The equity investment in the Bank of Italy represents approximately 79% of the effect on the shareholders' equity relating to the scenario analysis described above.

Considering the corporate scope resulting from the acquisition of Mediobanca, a *+1% shift* in Equity prices results in an effect on net interest and other banking income and profit (loss) for the year of EUR 5.82 mln, and an effect on Shareholders' equity of EUR 2.14 mln, while no impacts arise from Equity volatilities.

1.2.3 Foreign exchange risk

Qualitative Information

A. Foreign exchange risk: general aspects, operational processes and measurement methods.

Foreign exchange operations are mainly based on short-term trading, with the systematic balance of the transactions originated by the franchise and the retail banks which automatically feed into the Group's position.

Trading, which is centralised at the parent company, is carried out by the LCIB management, with active exchange rate risk management. Turnover, on cash and in derivatives, remained on a linear risk path with ongoing and careful use of delegated powers. Foreign currency equity investments are typically financed by funds denominated in the same currency, with no assumption of foreign exchange risk.

For a description of stress tests used in the risk governance strategy on exchange rates and the model applied, please refer to the section "Market risk management model for the Trading Book".

B. Hedging of exchange rate risk

Quantitative Information

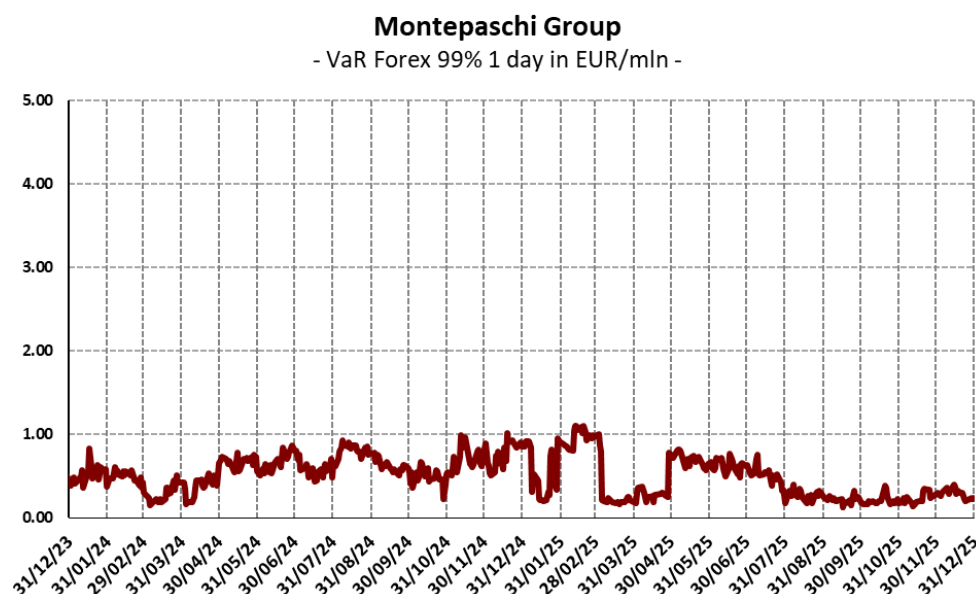
1. Breakdown by currency of assets, liabilities and derivatives

31 12 2025

Items	Currencies					
	US dollar	Pound sterling	Yen	Norwegian Krone	Swiss Franc	Other currencies
A. Financial assets	5,411,854	3,288,111	12,658	116,621	830,302	177,171
A.1 Debt securities	1,785,493	599,846	-	-	187,498	-
A.2 Equity securities	231,447	1,581,368	36	116,092	399,104	157,254
A.3 Loans to banks	758,771	663,441	8,514	529	23,087	6,568
A.4 Loans to customers	2,632,421	381,417	4,102	-	216,174	13,307
A.5 Other financial assets	3,722	62,039	6	-	4,439	42
B. Other assets	39,148	854	322	108	1,244	43
C. Financial liabilities	4,074,695	2,415,885	117,798	145	234,335	1,562
C.1 Deposits from banks	374,740	1,722,427	12,009	-	13,680	1,426
C.2 Customer accounts	2,458,121	453,231	27,160	145	16,958	130
C.3 Debt securities	1,239,850	1,982	78,629	-	198,543	6
C.4 Other financial liabilities	1,984	238,245	-	-	5,154	-
D. Other liabilities	19,599	5,373	47	-	89	34,097
E. Financial derivatives	-	-	-	-	-	-
- Options	-	-	-	-	-	-
+ Long positions	713,354	25,441	24,288	8,443	-	-
+ Short positions	388,299	826,827	29,261	123,182	349,024	153,513
- Other	-	-	-	-	-	-
+ Long positions	3,112,789	1,249,065	316,276	34,044	328,894	12,469
+ Short positions	4,748,235	1,345,913	166,292	7,935	627,586	53,872
Total assets	9,277,145	4,563,471	353,544	159,216	1,160,440	189,683
Total liabilities	9,230,828	4,593,998	313,398	131,262	1,211,034	243,044
Difference (+/-)	46,317	(30,527)	40,146	27,954	(50,594)	(53,361)

2. Internal models and other sensitivity analysis methods

Exchange risk is monitored in terms of VaR and scenario analysis (for the methodology see the paragraph “Market risk management model for the Trading Book”). Set out below is information on the diversified Forex VaR of the MPS Group (excluding the scope resulting from the acquisition of Mediobanca, for which a dedicated chart is provided):



Banca MPS's Forex VaR in 2025 is represented by the Parent Company's exposure to bonds in foreign currency (USD), mainly in the financial category, recognised under “Financial assets measured at amortised cost”. Forex VaR volatility in 2025 was affected by temporary variations in the exposure of the trading book of the LCIB department, due primarily to activities on foreign exchange EUR/USD derivatives.

At the end of December the Forex VaR came to EUR 0.24 mIn, slightly below the average for the year:

■ Montepaschi Group

VaR FX 99% 1 day in EUR/mIn

	VaR	Data
End Period	0.24	31/12/2025
Min	0.13	16/09/2025
Max	1.10	12/02/2025
Average	0.43	

The following scenarios were used for foreign exchange rate simulations:

- +1% for all foreign exchange rates to the Euro;
- -1% for all foreign exchange rates to the Euro;
- +1 point for all volatility surfaces of all foreign exchange rates.

The effect on net interest and other banking income and the result for the year was estimated by taking into account the positions accounted for in the FVTPL and FVTPLM portfolios. The effect on shareholders' equity is instead estimated with reference to the positions accounted for in the OCI portfolio and the related fair value hedges (FVH), the total effect being the algebraic sum of the two components. Below is a summary of the scenario analyses.

Aschi Group

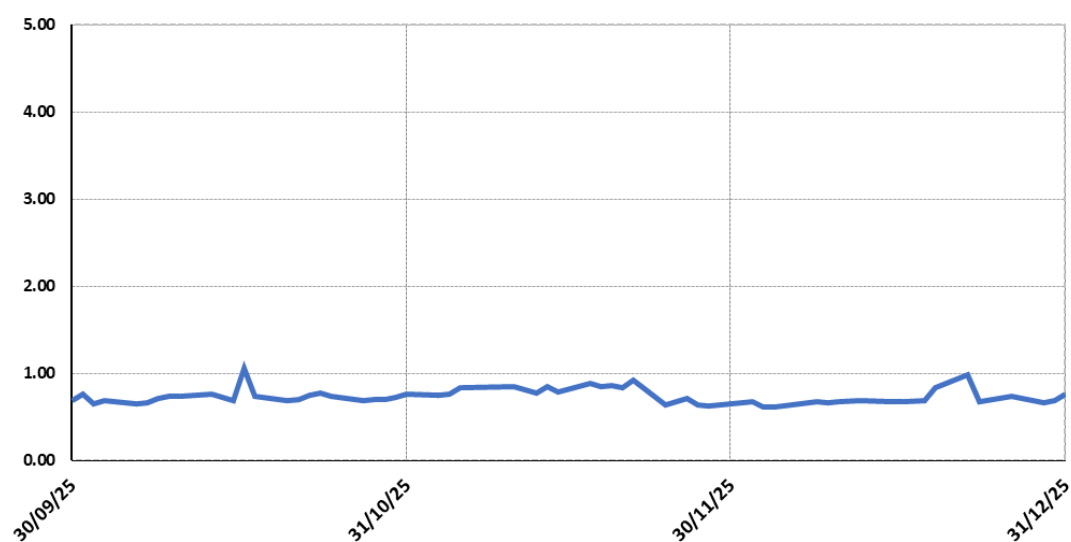
EUR/mln

Risk Family	Scenario	Effect on Net Banking Income and Economic Result Effect	Effect on Net capital	Overall Effect
Forex	+1% FX against EUR	0.47	(0.40)	0.07
Forex	-1% FX against EUR	(0.47)	0.4	(0.07)
Forex	+1 punto Forex Volatility	0.22	0.00	0.22

Set out below is information on the diversified Forex VaR of the subsidiary Mediobanca:

Mediobanca

- VaR Forex 99% 1 day in EUR/mln -



1.3 Derivatives and hedging policies

1.3.1 Derivatives for trading

A. Financial derivatives

A.1 Financial derivatives for trading: end of period notional amounts

Underlying asset/Type of derivative	Total 31 12 2025				Total 31 12 2024			
	Over the counter			Organised financial markets	Over the counter			Organised financial markets
	Central counterparties	No Central counterparties			Central counterparties	No Central counterparties		
		Contracts subject to Master netting agreements	Contracts not subject to Master netting agreements			Contracts subject to Master netting agreements	Contracts not subject to Master netting agreements	
1. Debt securities and interest rate	130,535,067	326,847,328	7,554,048	2,604,343	-	254,728,640	4,441,654	-
a) Options	-	24,507,088	1,530,323	863,369	-	6,002,399	1,120,499	-
b) Swaps	130,535,067	299,204,148	5,230,667	-	-	248,544,778	3,052,979	-
c) Forward	-	788,079	793,058	-	-	-	268,176	-
d) Futures	-	700,013	-	1,740,974	-	181,463	-	-
e) Other	-	1,648,000	-	-	-	-	-	-
2. Equity securities and stock indices	-	16,808,229	1,368,645	10,738,767	-	3,438,909	3,640	26,302
a) Options	-	11,332,230	1,009,327	9,957,751	-	1,990,874	3,640	26,302
b) Swaps	-	5,386,701	-	-	-	1,343,460	-	-
c) Forward	-	-	772	-	-	-	-	-
d) Futures	-	89,298	-	781,016	-	104,575	-	-
e) Other	-	-	358,546	-	-	-	-	-
3. Exchange rates and gold	-	12,168,960	2,383,237	-	-	257,374	1,743,620	-
a) Options	-	1,596,058	860,342	-	-	182,477	526,333	-
b) Swaps	-	5,997,815	-	-	-	-	-	-
c) Forward	-	4,575,087	1,522,895	-	-	74,897	1,217,287	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	-	465,929	508,280	1,127,786	-	76,378	189,858	-
5.Other underlying	-	-	-	-	-	-	-	-
Total	130,535,067	356,290,446	11,814,210	14,470,896	-	258,501,301	6,378,772	26,302

A.2 Financial derivatives for trading: gross positive and negative fair value - breakdown by products

Underlying asset/Type of derivative	Total 31 12 2025				Total 31 12 2024			
	Over the counter			Organised financial markets	Over the counter			Organised financial markets
	Central counterparties	No Central counterparties			Central counterparties	No Central counterparties		
		Contracts subject to Master netting agreements	Contracts not subject to Master netting agreements			Contracts subject to Master netting agreements	Contracts not subject to Master netting agreements	
1. Positive Fair value								
a) Options	-	526,371	635,863	456,636	-	174,794	10,528	206
b) Interest rate swap	186,254	8,082,325	58,174	-	-	7,555,081	32,112	-
c) Cross currency swap	-	94,691	-	-	-	-	-	-
d) Equity swap	-	291,094	-	-	-	42,543	-	-
e) Forward	-	82,864	47,753	-	-	1,569	26,975	-
f) Futures	-	7,387	-	10,019	-	545	-	-
g) Other	-	-	30,189	-	-	-	23,045	-
Total	186,254	9,084,732	771,979	466,655	-	7,774,532	92,660	206
2. Negative fair value								
a) Options	-	854,761	738,794	706,583	-	133,687	29,652	358
b) Interest rate swap	10,926	6,625,688	43,689	-	-	6,133,688	56,154	-
c) Cross currency swap	-	90,728	-	-	-	-	-	-
d) Equity swap	-	105,737	-	-	-	8,090	-	-
e) Forward	-	20,454	11,207	-	-	787	18,264	-
f) Futures	-	2,630	-	283,283	-	1,712	-	-
g) Other	-	806	420,931	-	-	-	7,835	-
Total	10,926	7,700,878	1,214,521	989,866	-	6,277,964	111,905	358

31 12 2025

A.3 Financial OTC derivatives for trading: notional amounts, gross positive and negative fair value by counterparties

Underlying assets	Central Counterparties	Banks	Other Financial Companies	Other entities
Contracts not subject to master netting agreements				
1) Debt securities and interest rates				
- notional value	X	1,693,919	1,313,815	4,546,314
- positive fair value	X	11,564	30,746	23,793
- negative fair value	X	5,900	9,889	49,797
2) Equity securities and stock indices				
- notional value	X	1,002,642	365,557	446
- positive fair value	X	631,855	6,174	1,017
- negative fair value	X	1,099,704	19,815	36
3) Exchange rates and gold				
- notional value	X	258,836	388,012	1,736,389
- positive fair value	X	788	14,329	20,879
- negative fair value	X	3,022	1,428	13,392
4) Commodities				
- notional value	X	362,903	-	145,377
- positive fair value	X	20,209	-	10,625
- negative fair value	X	-	-	11,538
5) Other underlying				
Contracts subject to master netting agreements				
1) Debt securities and interest rates				
- notional value	130,535,067	111,552,119	210,529,365	4,765,843
- positive fair value	186,254	2,129,061	6,077,172	9,984
- negative fair value	10,926	1,751,273	4,791,884	227,507
2) Equity securities and stock indices				
- notional value	-	8,575,089	5,822,761	2,410,380
- positive fair value	-	121,894	472,041	128,554
- negative fair value	-	498,181	256,690	32,360
3) Exchange rates and gold				
- notional value	-	7,376,551	2,857,915	1,934,494
- positive fair value	-	83,887	40,788	13,738
- negative fair value	-	74,397	50,324	13,921
4) Commodities				
- notional value	-	353,535	106,088	6,306
- positive fair value	-	225	7,387	-
- negative fair value	-	830	2,630	881
5) Other underlying				

A.4 Residual life of financial OTC derivatives for trading: notional amounts

Underlying asset/residual life	Up to 1 year	1 to 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	134,575,527	177,199,179	153,161,737	464,936,443
A.2 Financial derivatives on equity securities and stock indices	12,694,916	4,211,313	1,270,645	18,176,874
A.3 Financial derivatives on exchange rates and gold	10,251,072	3,549,165	751,960	14,552,197
A.4 Financial derivatives on commodities	732,210	241,999	-	974,209
A.5 Other financial derivatives	-	-	-	-
Total 31 12 2025	158,253,725	185,201,656	155,184,342	498,639,723
Total 31 12 2024	83,671,848	89,532,030	91,676,195	264,880,073

B. Credit derivativesB.1 Credit derivatives for trading: end of period notional amounts

Transaction categories	Trading book	
	single name	with multiple counterparties (basket)
1. Purchases of protection		
a) Credit default products	2,900,534	14,615,482
b) Credit spread products	-	-
c) Total rate of return swap	504,012	-
d) Others	123,041	-
Total 31 12 2025	3,527,587	14,615,482
Total 31 12 2024	227,111	59,500
2. Sales of protection		
a) Credit default products	3,582,941	15,593,374
b) Credit spread products	-	-
c) Total rate of return swap	340,000	-
d) Others	-	-
Total 31 12 2025	3,922,941	15,593,374
Total 31 12 2024	1,555,724	59,500

B.2 OTC credit derivatives: gross positive and negative fair value - breakdown by products

	Total 31 12 2025	Total 31 12 2024
1. Positive fair value	-	-
a) Credit default products	187,661	3,416
b) Credit spread products	-	-
c) Total rate of return swap	2,251	29
d) Other	-	-
Total	189,912	3,445
2. Negative fair value	-	-
a) Credit default products	223,185	53,769
b) Credit spread products	-	-
c) Total rate of return swap	311,188	74,217
d) Other	129,108	-
Total	663,481	127,986

B.3. OTC credit derivatives for trading: notional amounts, gross fair value (positive and negative) by counterparties

31 12 2025

Contracts not subject to netting agreements	Central counterparties	Banks	Other financial companies	Other entities
Contracts not subject to master netting agreements				
1) Purchase of protection				
- notional value	X	1,613,257	236,076	-
- positive fair value	X	1,413	1,024	-
- negative fair value	X	129,156	3,210	-
2) Sales of protection				
- notional value	X	12,251	-	-
- positive fair value	X	8,150	-	-
- negative fair value	X	-	-	-
Contracts subject to master netting agreements				
1) Purchase of protection				
- notional value	7,851,029	1,075,325	7,367,382	-
- positive fair value	-	1,445	925	-
- negative fair value	-	18,865	460,798	-
2) Sales of protection				
- notional value	7,518,108	2,336,473	9,649,483	-
- positive fair value	-	35,983	140,973	-
- negative fair value	14,800	15,230	21,422	-

B.4 Residual life of OTC credit derivatives for trading: notional amounts

Underlying asset/residual life	Up to 1 year	1 to 5 years	Over 5 years	Total
1. Sales of protection	1,118,534	17,451,837	945,945	19,516,316
2. Purchase of protection	661,331	17,217,856	263,882	18,143,069
Total 31 12 2025	1,779,865	34,669,693	1,209,827	37,659,385
Total 31 12 2024	5,099	877,331	1,019,406	1,901,836

B.5 Credit derivatives related to the fair value option: annual changes

This table was not drawn up as the Group does not apply the hedge accounting rules pursuant to IFRS 9.

1.3.2 Hedges

Qualitative Information

The Group, in applying IFRS 9, has exercised the option provided by the standard to continue to fully apply IAS 39 for all types of hedging (micro and macro). Therefore, the provisions of IFRS 9 in terms of hedging do not apply.

A. Fair value hedging

The purpose of interest rate risk hedging is to protect the banking book from changes in the fair value of deposits and loans caused by movements in the interest rate curve or to reduce the variability of cash flows linked to a particular asset/liability.

The risk predominantly hedged is interest rate risk with fair value hedge transactions, for a total of approximately EUR 62.7 bn in nominal value of hedging derivatives.

The Group uses the following hedges to manage interest rate risk:

- fair value micro hedges: hedging of trading assets (loans/mortgage loans), security portfolio and bonds;
- fair value macro hedges: hedging of trading assets (loans/mortgage loans), security portfolio and commercial funding (customer deposits).

The fair value hedges at Group level regard both micro hedges of assets and liabilities, identified specifically and represented by loans, bonds in the banking book and bonds issued by the Group, as well as macro hedges (version with bottom layer approach) of securities and retail fixed-rate deposits.

The derivatives used for this purpose are primarily interest rate swaps (IRS) and options on rates realised with third parties.

Derivatives are not listed in regulated markets, but are traded within the scope of OTC circuits. OTC agreements also include those brokered through Clearing Houses.

B. Cash-flow hedging

Hedging activities carried out by the Group aim at covering exposure to fluctuations in future cash flows, attributable to changes in the interest rate curve, associated with a specific asset/liability, as payments of future floating interests on a payable/receivable or to a highly probable future transaction. The Group adopts both specific and portfolio hedging for variable-rate loans and deposits. The latter type is mainly used to hedge the variable-rate interbank deposits of certain Group companies which, due to a high number of small-amount transactions generally at fixed rates (mainly consumer loans), obtain variable-rate funding for significant amounts. Hedging is therefore implemented to transform these fixed-rate positions by correlating cash flows with those of loans. As a rule, the Group uses derivative contracts to fix the expected cost of funding for the period in relation to existing variable-rate loans and future transactions linked to the systematic renewal of such loans upon maturity.

Hedging derivatives for cash flow hedge transactions, consisting mainly of interest rate swaps (IRS), amount to a nominal value of approximately EUR 7.2 bn.

C. Hedging instruments

The main causes of ineffectiveness of the model adopted by the Group for verifying the effectiveness of hedges are attributable to the following phenomena:

- mismatch between notional amount of the derivative and the underlying hedged item recognised at the time of initial designation or generated subsequently, such as in the case of partial repayments of loans or repurchases of bonds;
- inclusion in the effectiveness test of the value of the variable interest rate cash flows of the hedging derivative, assuming a fair value hedge.

The ineffectiveness of the cover is promptly detected for these purposes: (i) the determination of the effect on the income statement; and (ii) the assessment as to whether hedge accounting rules can continue to be applied.

The Bank does not use dynamic hedges, as defined in IFRS 7, paragraph 23C.

D. Hedged items

The main types of hedged items for the Bank are:

- debt securities under assets;
- debt securities issued;
- fixed-rate commercial loans;
- optional component implicit in the floating-rate mortgage loans;
- fixed-rate commercial funding;
- Variable-rate funding.

D.1 Debt securities under assets

Hedging relationships of these assets are especially of fair value hedge type; derivatives used for this purpose are mainly IRS (also inflation linked type) and the hedged risk is the interest rate risk (including inflation risk).

The Dollar Offset Method is used to verify the efficacy of the hedge. This method is based on the relationship between the cumulated changes (from the beginning of the hedging) in the fair value of the hedging instrument, attributable to the hedged risk, and the past changes in the fair value of the hedged item.

D.2 Debt securities issued

These are securities covered by both micro fair value hedges and micro cash flows hedge category; derivatives used as hedging instruments are primarily IRS. The hedged risk is the interest rate risk.

The Dollar Offset Method is used to verify the efficacy of the hedge. This method is based on the relationship between the cumulated changes (from the beginning of the hedging) in the fair value of the hedging instrument, attributable to the hedged risk, and the past changes in the fair value of the hedged item.

D.3 Fixed-rate commercial loans

In these cases, the hedging relationships in place are of a macro fair value hedge type and the derivatives used as hedging instruments are primarily IRS. The hedged risk is the interest rate risk.

The effectiveness of the macro hedging on fixed-rate loans is verified through specific forward- and backward-looking tests aimed at demonstrating that the hedged portfolio contains an amount of assets for which the sensitivity profile and the changes in the fair value for the interest rate risk can be said to match those of the hedging derivatives. It should be noted that for the purpose of the forward- and backward-looking tests, the hedged portfolio takes into account the prepayment estimates, determined on the basis of the model used from time to time to manage interest rate risk.

D.4 Optional component implicit in the floating-rate mortgage loans

The optional components implicit in mortgage loans with floating interest rate are hedged with a fair value macro hedge using, as hedging instruments, cap/floor derivatives.

The effectiveness of the hedging is verified by using the resilience of the capacity test.

D.5 Fixed-rate commercial funding

Fixed-rate commercial funding is subject to hedging relationships in the fair value macro hedge category, mainly through the use of hedging instruments such as IRS derivatives. The hedged risk is the interest rate risk.

The effectiveness of fixed-rate macro hedges is verified on the basis of specific tests designed to demonstrate that the hedged portfolio contains liabilities whose expected cash flow profile mirrors that of the hedging derivatives. It should be noted that for the purposes of both prospective and retrospective testing, the hedged portfolio takes into account

estimates of customer behaviour in relation to demand deposits, determined on the basis of the time-to-time model used for interest rate risk management.

D.6 Variable rate funding

In some cases, variable-rate funding is subject to cash flow hedge accounting, mainly through the use of hedging instruments such as IRS derivatives.

The effectiveness of the hedge is verified by comparing the hedging derivative with the ideal hedging derivative, which represents outstanding variable-rate borrowings and future transactions related to their renewal upon maturity.

Other information

Following, as required by IFRS 7.24H, is the table containing details, by nominal amounts, of the hedging according to the reference index of the interest rates.

Interest rate	ASSETS			LIABILITIES			Total
	Nominal Hedging			Nominal Hedging			
	Micro - FVH	Macro - FVH	Micro - CFH	Micro - FVH	Macro - FVH	Micro - CFH	
EURIBOR 1M		1,385,372		200,000			1,585,372
EURIBOR 3M	2,412,172	2,591,594	3,930,000	16,154,528		10,000	25,098,295
EURIBOR 6M	2,565,298	10,779,053	2,337,000	4,300,100			19,981,451
USD 3M LIBOR FALLBACK SOFR	329,362						329,362
USD SOFR	42,553						42,553
EURIBOR 30Y CMS	80,097						80,097
ESTR	299,000	1,860,000		1,190,000	18,000		3,367,000
EURIBOR 1Y	479,718	9,532,700	480,000	5,210,014	1,214,000		16,916,432
EUR Overnight				126,257			126,257
EUR HICP ZC				50,000			50,000
IOEUHICP	125,000			815,000		330,000	1,270,000
CHF 1Y				193,257			193,257
CZK 3M				8,252			8,252
IOITBTPS			100,000				100,000
JPY 1Y				76,184			76,184
USD 1Y				616,742			616,742
USD 3M				70,054			70,054
Total	6,333,200	26,148,719	6,847,000	29,010,389	1,232,000	340,000	69,911,309

The table shows the notional amounts (€/thousands) of hedging derivatives inclusive of the netting carried out pursuant to IAS 32.

As explained in Part A Accounting Policies, the Parent Company has applied, as of the 2019 Financial Statements, Regulation No. 34/2020 of 15 January 2020, which adopted the document issued by the IASB in September 2019 on the "Reform of Interest Rate Benchmarks (Amendments to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: recognition and measurement" and IFRS 7 "Financial instruments: supplementary information"). With the regulation in question, a number of changes were introduced in the area of hedge accounting with the aim of avoiding that uncertainties about the amount and timing of cash flows resulting from the rate reform could lead to the discontinuation of existing hedges and difficulties in designating new hedging relationships.

The Parent Company's hedging derivatives are mainly indexed to Euribor, the calculation methodology of which was revised during 2019 through the adoption of a hybrid-type calculation methodology, which fully complies with the requirements for so-called critical benchmarks, the EU Benchmark Regulation 2016/1011 and the IOSCO principles.

Therefore, the Parent Company does not consider there to be any uncertainty about the timing or amount of cash flows parameterised to Euribor and does not consider Euribor-linked hedges to be impacted by the reform, in continuity with the approach already adopted in previous years.

As at 31 December 2025, there were no rate-indexed hedges impacted by the IBOR Reform, pursuant to paragraph 24H of IFRS 7.

Quantitative Information

A. Financial hedging derivatives

A.1 Financial hedging derivatives: end of period notional amounts

Underlying asset/Type of derivative	Total 31 12 2025				Total 31 12 2024			
	Over the counter			Organised financial markets	Over the counter			Organised financial markets
	Central counterparties	No Central counterparties			Central counterparties	No Central counterparties		
		Contracts subject to master netting agreements	Contracts not subject to master netting agreements			Contracts subject to master netting agreements	Contracts not subject to master netting agreements	
1. Debt securities and interest rate	36,552,426	34,688,107	10,000	-	-	21,524,440	-	-
a) Options	-	3,343,771	-	-	-	2,969,649	-	-
b) Swaps	36,552,426	31,344,336	10,000	-	-	18,554,791	-	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity securities and stock indices	-	-	-	-	-	-	-	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
3. Exchange rates and gold	-	642,837	-	-	-	372,509	-	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	642,837	-	-	-	372,509	-	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	-	-	-	-	-	-	-	-
5.Other underlying	-	-	-	-	-	-	-	-
Total	36,552,426	35,330,944	10,000	-	-	21,896,949	-	-

A.2 Financial hedging derivatives: gross positive and negative fair value - breakdown by products

Underlying asset/Type of derivative	Total 31 12 2025				Total 31 12 2025			
	Over the counter			Organised financial markets	Over the counter			Organised financial markets
	Central counterparties	No Central counterparties			Central counterparties	No Central counterparties		
		Contracts subject to master netting agreements	Contracts not subject to master netting agreements			Contracts subject to master netting agreements	Contracts not subject to master netting agreements	
1. Positive fair value								
a) Options	-	38,627	-	-	-	8,130	-	-
b) Interest rate swap	87,921	847,193	-	-	-	466,902	-	-
c) Cross currency swap	-	1,577	-	-	-	-	-	-
d) Equity swap	-	-	-	-	-	-	-	-
e) Forward	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-
g) others	-	-	-	-	-	-	-	-
Total	87,921	887,397	-	-	-	475,032	-	-
2. Negative fair value								
a) Opzioni	-	29,175	-	-	-	32,533	-	-
b) Interest rate swap	360,140	531,120	127	-	-	661,006	-	-
c) Cross currency swap	-	25,524	-	-	-	74,352	-	-
d) Equity swap	-	-	-	-	-	-	-	-
e) Forward	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-
g) Others	-	-	-	-	-	-	-	-
Total	360,140	585,819	127	-	-	767,891	-	-

A.3 Financial OTC hedging derivatives: notional amounts, gross positive and negative fair value by counterparties

31 12 2025

Contracts not subject to netting agreements	Central counterparties	Banks	Other financial companies	Other entities
Contracts not subject to master netting agreements				
1) Debt securities and interest rates				
- notional value	-	10,000	-	-
- positive fair value	-	-	-	-
- negative fair value	-	127	-	-
2) Equity securities and stock indices				
3) Exchange rates and gold				
4) Commodities				
5) Other underlying				
Contracts subject to master netting agreements				
1) Debt securities and interest rates				
- notional value	36,552,426	29,587,964	5,100,142	-
- positive fair value	87,921	833,046	52,775	-
- negative fair value	360,140	418,632	141,663	-
2) Equity securities and stock indices				
3) Exchange rates and gold				
- notional value	-	604,812	38,025	-
- positive fair value	-	1,317	260	-
- negative fair value	-	25,524	-	-
4) Commodities				
5) Other underlying				

A.4 Residual life of financial OTC hedging derivatives: notional amounts

Underlying asset/residual life	Up to 1 year	1 to 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	11,425,744	29,105,973	30,718,816	71,250,533
A.2 Financial derivatives on equity securities and stock indices	-	-	-	-
A.3 Financial derivatives on exchange rates and gold	372,819	231,993	38,025	642,837
A.4 Financial derivatives on other underlying assets	-	-	-	-
A.5 Other financial derivatives				
Total 31 12 2025	11,798,563	29,337,966	30,756,841	71,893,370
Total 31 12 2024	820,997	8,227,672	12,848,280	21,896,949

B. Credit hedging derivativesB.1 Credit hedging derivatives: end of period notional amountsB.2 Credit hedging derivatives: gross positive and negative fair value - breakdown by productsB.3 OTC credit hedging derivatives: notional amounts, gross positive and negative fair value by counterpartiesB.4 Residual life of OTC credit hedging derivatives: notional amounts

The table above was not completed as the Group had no outstanding credit hedging derivatives for either the current or the previous year.

C. Non-derivative hedging instrumentsC.1 Hedging instruments other than derivatives: breakdown by accounting portfolio and type of hedge

The Group avails itself of the possibility, envisaged upon the introduction of IFRS 9, to continue to apply all hedge accounting provisions of IAS 39 (carved out version endorsed by the European Commission) for all types of hedge (both micro and macro hedges). For this reason, the Group has no financial instruments in its portfolio which would be reported in the table.

D. Hedged instruments

D.1 Fair value hedging

	Micro - hedge: Book value	Micro-hedges – net positions: carrying amount of assets or liabilities (before netting)	Micro-Hedge			Macro-Hedge: book value
			Cumulative changes in the fair value of the hedged item	Expiry of coverage: remaining cumulative changes in fair value	Change in the value used to recognise hedging ineffectiveness	
A. ASSETS						
1. Financial assets measured at fair value through other comprehensive income - hedging of:	1,156,644	-	4,509	(27,801)	14,412	-
1.1 Debt securities and interest rate	1,156,644	-	4,509	(27,801)	14,412	X
1.2 Equity instruments and stock indices	-	-	-	-	-	X
1.3 Currencies and gold	-	-	-	-	-	X
1.4 Credits	-	-	-	-	-	X
1.5 Others	-	-	-	-	-	X
2. Financial assets measured at amortised cost - hedging of:	5,560,014	-	133,668	(194,897)	(58,954)	25,523,083
1.1 Debt securities and interest rate	-	-	-	-	-	X
1.2 Equity instruments and stock indices	5,229,615	-	128,697	(330,100)	(52,005)	X
1.3 Currencies and gold	-	-	-	-	-	X
1.4 Credits	330,399	-	4,971	-	(6,949)	X
1.5 Others	-	-	-	135,203	-	X
Total 31 12 2025	6,716,658	-	138,177	(222,698)	(44,542)	25,523,083
Total 31 12 2024	4,174,669	-	214,132	(354,814)	10,042	9,915,422
B. LIABILITIES						
1. Financial liabilities measured at amortised cost - hedging of:	29,203,088	-	6,549	286,644	35,384	1,211,500
1.1 Debt securities and interest rate	-	-	-	-	-	X
1.2 Equity instruments and stock indices	29,203,088	-	6,549	286,644	35,384	X
1.3 Currencies and gold	-	-	-	-	-	X
Total 31 12 2025	29,203,088	-	6,549	286,644	35,384	1,211,500
Total 31 12 2024	4,824,626	-	(20,223)	(33,951)	88,025	108,007

D.2 Cash-flow and foreign investment hedging

	Change in the value used to recognise hedge ineffectiveness	Hedging reserves	Expiry of coverage: residual value of coverage reserves
A. Cash flow hedging			
1. Assets	243	19,671	8,731
1.1 Debt securities and interest rate	243	19,671	8,731
1.2 Equity instruments and stock indices	-	-	-
1.3 Currencies and gold	-	-	-
1.4 Credits	-	-	-
1.5 Others	-	-	-
2. Liabilities	35,204	23,138	-
1.1 Debt securities and interest rate	35,204	23,138	-
1.2 Equity instruments and stock indices	-	-	-
1.3 Currencies and gold	-	-	-
Total A 31 12 2025	35,447	42,809	8,731
Total A 31 12 2024	16,910	19,293	-
B. Coverage of foreign investments	X	-	15,947
Total (A+B) 31 12 2025	35,447	42,809	24,678
Total (A+B) 31 12 2024	16,910	19,293	-

E. Effects of hedging transactions on equity

E.1. Reconciliation of equity items

	Cash flow hedging reserve					Reserve for hedging foreign investments				
	Debt securities and interest rate	Equity instruments and stock indices	Currencies and gold	Credits	Others	Debt securities and interest rate	Equity instruments and stock indices	Currencies and gold	Credits	Others
Opening balance	19,293									
Fair value change	19,277									
Adjustments to the profit or loss										
- of which: future transactions no longer expected						X	X	X	X	X
Other changes	4,239									
- of which: transfers at the initial carrying amount of the hedged instruments						X	X	X	X	X
Closed balance	42,809	-	-	-	-	-	-	-	-	-

1.3.3 Other information on derivatives (trading and hedging)

A. Financial and credit derivatives

A.1 OTC financial and credit derivatives: net fair values by counterparties

Underlying assets	Central counterparties	Banks	Other financial companies	Other entities
A. Financial derivatives				
1. Debt securities and interest rates				
- notional value	167,087,493	131,949,666	197,497,190	3,370,155
- positive fair value	233,099	1,104,230	1,189,154	8,521
- negative fair value	329,992	341,851	313,058	68,672
2. Equity securities and stock indices				
- notional value	-	8,652,193	2,546,439	2,410,404
- positive fair value	-	724,969	336,000	129,568
- negative fair value	-	1,558,726	108,736	32,396
3. Exchange rates and gold				
- notional value	-	7,135,913	3,146,963	1,879,254
- positive fair value	-	84,468	54,715	13,636
- negative fair value	-	67,012	51,070	12,307
4) Commodities				
- notional value	-	716,438	-	-
- positive fair value	-	20,434	-	-
- negative fair value	-	830	-	-
4. Other underlying				
- notional value	-	-	1,702,634	-
- positive fair value	-	-	1,302	-
- negative fair value	-	-	-	-
B. Credit derivatives				
1. Purchase of protection				
- notional value	7,851,029	2,649,539	7,187,446	-
- positive fair value	-	2,385	1,037	-
- negative fair value	-	147,575	142,971	-
2. Sales of protection				
- notional value	7,518,108	2,008,724	8,263,230	-
- positive fair value	-	42,794	136,628	-
- negative fair value	14,800	15,040	7,558	-

The table shows the positive or negative fair values of derivatives subject to netting pursuant to IAS 32.42.

In particular, it relates to the over-the-counter (OTC) financial and credit derivatives for trading and hedging purposes, for which fair values have been offset in the financial statements. The Parent Company has entered into specific clearing agreements, in accordance with international standards (contractual models prepared by ISDA/FIA), with third-party clearing members, while the subsidiary Mediobanca Spa has entered into agreements directly with clearing houses. The balances of derivatives falling within the latter category are shown in the column "Central Counterparties".

For OTC financial derivatives on 'Debt securities and interest rates', the offsetting result is a positive EUR 1,481 (positive fair value of EUR 8,129.2 mln and negative fair value of EUR 6,647.8 mln), of which EUR 859.9 mln is attributable to hedging derivatives and EUR 585.5 mln to trading derivatives. There are also OTC financial derivatives, sub-item 'Other', the offsetting result of which is a total positive EUR 1.3 mln (negative fair value of EUR 17.7 mln and positive fair value of EUR 19 mln), attributable entirely to trading derivatives. Finally, OTC financial derivatives are reported under the sub-item "Commodities", with a positive net result of EUR 19.6 mln (positive fair value of EUR 20.4 mln and negative fair value of EUR 0.8 mln), entirely allocated to trading derivatives.

1.4 - Liquidity risk

Qualitative Information

A. Liquidity risk: general aspects, operational processes and measurement methods

As at 31 December 2025, the corporate, organisational and governance structures of the Montepaschi Group, following the acquisition of Mediobanca and its subsidiaries, were being defined.

In 2025, the Montepaschi Group continued the evolution, strengthening and streamlining of its strategic and operational liquidity risk management processes, paying particular attention to, inter alia, the analysis of risk factors related to climate and environmental changes and their possible impact on the Group's liquidity situation, as well as investments in the automation of processes aimed at reducing operational risks.

Group Liquidity Risk Framework

The Montepaschi Group has used a Liquidity Risk Framework for many years now, intended as the set of tools, methodologies, organisational and governance set-ups which ensures both compliance with national and international regulations and adequate liquidity risk governance in the short (Operating Liquidity) and medium/long (Structural Liquidity) term, under business as usual and stress conditions.

The reference Liquidity Risk model for the Montepaschi Group is “centralised” and calls for the management of short-term liquidity reserves and medium/long-term financial balance at Parent Company level, guaranteeing solvency on a consolidated and individual basis for the subsidiaries.

The internal assessment of liquidity adequacy is a process that is part of the more general Risk Management macro-process, in direct connection with the Risk Appetite Framework (RAF) through the annual formulation of the Risk Appetite Statement (RAS) with related thresholds.

The overall internal liquidity adequacy assessment takes place periodically as part of the strategic ILAAP (Internal Liquidity Adequacy Assessment Process) process consisting mainly of:

- ILAAP Outcomes, or quantitative (inherent risk) and qualitative (risk management and controls) assessments on risk positioning prepared by the Risk Management function and submitted to the Board of Directors, the document accompanied by the so-called Liquidity Adequacy Statement (LAS), i.e., the summary statement of the Board of Directors which expresses its vision and awareness for the purposes of liquidity adequacy management;
- ILAAP ongoing, which consists substantially of periodical analyses of liquidity adequacy which are described in reports to the corporate bodies.

Liquidity Risk Management

The management of the Group's Operational Liquidity aims at ensuring the capacity of the Montepaschi Group to meet the cash payment obligations within a short-term time frame. The essential condition for a normal course of business in banking is the maintenance of a sustainable imbalance between cash inflows and outflows in the short term. From the operational perspective, the benchmark metric in this respect is the difference between net cumulative cash flows and Counterbalancing Capacity, i.e. the reserve of liquidity in response to stress conditions over a short time horizon, in addition to the Liquidity Coverage Ratio (LCR) regulatory measure - Delegated Act. From the extremely short-term perspective, the Group adopts a system for the analysis and monitoring of intraday liquidity, with the goal of ensuring normal development during the day of the bank's treasury and its capacity to meet its intraday payment commitments.

Management of the Group's Structural Liquidity is intended to ensure the structural financial balance by maturity buckets over a time horizon of more than one year, both at Group and individual company level. Maintenance of an adequate dynamic ratio between medium/long-term assets and liabilities is aimed at preventing current and prospective short-term funding sources from being under pressure. In addition to the regulatory measure of the Net Stable Funding Ratio (NSFR), provided for by the so-called CRR2¹²⁵, the reference metrics are the so-called gap ratios, which measure both the ratio of total deposits to loans with maturities over 1 year and over 5 years, and the ratio of deposits to commercial loans.

¹²⁵ Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) no. 575/2013 with regard to leverage ratio, net stable funding ratio, own funds and eligible liabilities requirements, counterparty risk, market risk, exposures to central counterparties, exposures to collective investment undertakings, large exposures, reporting and disclosure requirements and Regulation (EU) no. 648/2012.

The Montepaschi Group also defined and formalised:

- the asset encumbrance management and monitoring framework with the goal of analysing:
 - the overall degree of encumbrance of total assets;
 - the existence of a sufficient quantity of assets that may be encumbered but which are free;
 - the capacity to transform bank assets into eligible assets (or in an equivalent manner, to encumber non-eligible assets in bilateral transactions);

and

- the monitoring framework of the concentration risk, with the goal of analysing:
 - the concentration of the funding sources, by counterparty and by type of channel;
 - the concentration of the assets composing the liquidity reserves of the Group.

The liquidity position is monitored under business-as-usual conditions and under specific, system-wide and/or combined stress scenarios (with adverse and extreme intensity) according to the Liquidity Stress Test Framework. The purposes of these exercises are:

- to show, in a timely manner, the main Group's vulnerability to liquidity risk;
- to calculate the survival time frame under stress conditions;
- to enable a prudential determination of surveillance levels, to be applied to the Liquidity Risk measurement metrics within the scope of the annual Risk Appetite Statement.

Within the scope of Risk Appetite Framework, the Liquidity Risk Framework identifies the tolerance thresholds for liquidity risk, that is to say the maximum risk exposure deemed sustainable in a business-as-usual scenario and under stress conditions. The short/medium and long-term liquidity risk limits derive from the setting of these risk appetite thresholds.

The system of operating limits, known as Liquidity Risk Limits, is defined so as to make it possible to promptly identify approaches to the risk tolerance threshold as defined in the annual Risk Appetite Statement process.

In order to immediately identify the emergence of vulnerabilities in the liquidity's position, the Group has developed a range of early warnings, classified as generic or specific, also in the ESG sphere, depending on whether the individual indicator is designed to detect potential vulnerabilities in the overall economic context of reference or in the Group structure.

With specific reference to climate and environmental risk factors, the update of the materiality analyses confirmed that these are not material, in view of the limited impact in terms of liquidity outflows on customer funding and drawings on available credit lines resulting from the events analysed.

Group's Liquidity Management

The management of Operating and Structural Liquidity is governed within the Finance, Treasury and Capital Management Function, which is entrusted with defining and implementing funding strategies in the short and medium/long term.

With reference to the management of Operating Liquidity, Liquidity Management manages the "liquidity reserves" so as to guarantee the Parent Company's capacity to deal with expected and unexpected outflows, to that end making recourse to various interbank market instruments (unsecured deposits, collateralised deposits, repos) as well as transactions with the European Central Bank.

With reference to the management of Structural Liquidity, the aforesaid function pursues the objectives detailed in the Group Funding Plan, which defines medium/long-term strategies and the guidelines for the Montepaschi Group's funding activity in terms of risk appetite, over a multi-year time horizon, in compliance with the multi-year risk tolerance thresholds on internal and regulatory operating and structural liquidity indicators defined within the scope of the Group Risk Appetite Statement (RAS).

In addition, to complete the Funding Plan, the same function prepares the Contingency Funding Plan, which represents the operational tool for liquidity risk management intended to define intervention strategies in the case of liquidity tensions, laying out procedures and actions that may be promptly activated to obtain sources of funds in a stress scenario.

Liquidity position: regulatory indicators

The Montepaschi Group uses the following main indicators to assess its liquidity profile:

- Liquidity Coverage Ratio (LCR), which is the short-term liquidity indicator corresponding to the ratio between the amount of high-quality liquid assets and the total net cash outflows in the subsequent 30 calendar days. The indicator must comply with a minimum regulatory requirement of 100% and is subject to supervisory reporting on a monthly basis;
- Net Stable Funding Ratio (NSFR), which is the structural 12-month liquidity indicator corresponding to the ratio between the available stable funding amount and the compulsory stable funding amount. This indicator, whose regulatory minimum requirement is 100% is subject to supervisory reporting on a quarterly basis;
- Loan to Deposit Ratio, which represents the ratio of loans to customers to direct deposits (understood as the sum of the following items: due to customers, securities in issue and financial liabilities designated at fair value).

Following are the three indicators in the reporting financial year compared with the previous financial year:

Indicator	31 12 2025	31 12 2024
LCR	167.4%	166.5%
NSFR	120.8%	134.1%
Loan to Deposit Ratio	95.9%	82.3%

In general, the trend in the liquidity indicators during 2025 remained well above regulatory levels and in line with expected levels. The total amount of MPS borrowing from the ECB as at 31 December 2025 stood at EUR 9 bn (EUR 8.5 bn as at 31 December 2024), of which EUR 3 bn in LTRO and EUR 6 bn in MRO. Mediobanca has MRO auctions with the ECB for EUR 1 bn.

The short-term liquidity indicator, the Liquidity Coverage Ratio (LCR), as at 31 December 2025 stood at 167.4%, remaining above the minimum regulatory requirement applicable for 2025 and showing a contraction compared with December 2024 (166.5%, a figure referring to the Montepaschi Group prior to the acquisition of Mediobanca and its subsidiaries).

The medium/long-term liquidity indicator, the Net Stable Funding Ratio (NSFR), of MPS as at 31 December 2025 stood at 120.8%, remaining above the minimum regulatory requirement applicable for 2024 and down compared with December 2024 (134.1%, a figure referring to the Montepaschi Group prior to the acquisition of Mediobanca and its subsidiaries).

As at 31 December 2025, MPS's operating liquidity position showed an unencumbered counterbalancing capacity level of EUR 33.5 bn, slightly up compared to 31 December 2024 (EUR 33 bn). The Group's counterbalancing capacity, including Mediobanca, amounted to EUR 53.8 bn.

Faced with MPS institutional maturities for the year 2025 of EUR 3.2 bn, represented by: EUR 1.5 bn of senior unsecured, EUR 0.7 bn of subordinated instruments and approximately EUR 1 bn of covered bonds; given the starting position of excess liquidity, MPS's 2025 Funding Plan envisaged public covered bond issues and public unsecured issues, both senior preferred and subordinated; the latter, in particular, were planned in order to meet MREL targets and to improve structural liquidity indicators.

The public issues carried out by MPS during the year amounted to EUR 1 bn in the senior segment, EUR 0.5 bn of subordinated instruments and EUR 1 bn of covered bonds, the latter partly also through private placements.

Quantitative Information

1. Breakdown of financial assets and liabilities by residual contractual duration - Currency: Euro

31 12 2025

Account	On demand	1 to 7 days	7 to 15 days	15 days to 1 month	1 to 3 month	3 to 6 month	6 month to 1 year	1 to 5 years	Over 5 years	Unspecified maturity
Balance-sheet assets	26,519,822	7,371,934	2,677,691	5,424,074	9,867,048	11,688,861	13,983,839	57,083,418	66,973,669	871,756
A.1 Government securities	380	3,539	286,398	83,460	1,263,629	1,932,223	1,687,809	7,389,770	14,673,656	-
A.2 Other debt securities	95,421	6,274	15,469	116,835	97,081	177,669	228,476	2,491,003	6,035,053	4,356
A.3 Units of UCITS	270,905	-	-	-	14	-	-	-	-	-
A.4 Loans	26,153,116	7,362,121	2,375,824	5,223,779	8,506,324	9,578,969	12,067,554	47,202,645	46,264,960	867,400
- Banks	15,942,245	906,195	577,496	875,925	125,612	40,326	736,312	1,334,801	53,741	865,048
- Customers	10,210,871	6,455,926	1,798,328	4,347,855	8,380,711	9,538,643	11,331,242	45,867,845	46,211,219	2,352
Balance-sheet liabilities	99,375,650	18,194,515	2,991,121	3,757,886	8,591,768	8,168,319	13,981,486	26,290,230	13,243,308	18,568
B.1 Deposits and current accounts	90,863,806	993,563	328,246	1,018,924	2,973,419	3,894,976	3,607,381	195,930	3,172	-
- Banks	307,073	-	-	-	-	-	-	-	-	-
- Customers	90,556,733	993,563	328,246	1,018,924	2,973,419	3,894,976	3,607,381	195,930	3,172	-
B.2 Debt securities	2,252,537	2,626	1,338,822	419,971	1,341,970	1,277,441	4,849,262	19,970,404	11,800,228	-
B.3 Other liabilities	6,259,307	17,198,326	1,324,053	2,318,991	4,276,379	2,995,902	5,524,843	6,123,896	1,439,908	18,568
Off-balance-sheet transactions										
C.1 Financial derivatives with exchange of principal										
- long positions	15,331	397,361	70,283	516,598	2,072,925	861,697	417,563	386,392	242,543	-
- short positions	301,313	229,947	72,871	352,762	1,665,371	494,969	661,083	488,630	1,186,489	-
C.2 Financial derivatives without exchange of principal										
- long positions	8,505,645	5,289	20,968	45,973	106,448	127,988	514,301	-	-	-
- short positions	7,004,916	4,156	10,570	33,507	86,713	159,448	576,827	-	-	-
C.3 Deposits and borrowings to be received										
- long positions	-	24,048,338	522,805	424,768	417,203	-	465,014	768,631	-	-
- short positions	-	15,338,804	374,022	271,320	1,742,752	458,621	179,731	3,699,134	4,582,377	-
C.4 Irrevocable commitments to disburse funds										
- long positions	305,096	7,465,238	229,261	740,138	861,696	799,336	701,924	4,449,076	6,598,243	-
- short positions	2,176,602	17,499,268	472,797	552,800	283,047	1,200	476,390	590,859	97,045	-
C.5 Financial guarantees given	8,337	1	198	388	5,420	1,625	2,325	1,297	1,622	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of principal										
- long positions	-	-	-	-	-	190,700	117,111	2,661,046	1,554,874	-
- short positions	-	-	-	-	-	215,700	220,255	3,058,435	1,029,341	-
C.8 Credit derivatives without exchange of principal										
- long positions	149,109	-	-	-	-	-	-	-	-	-
- short positions	484,270	-	-	-	-	-	-	-	-	-

2. Breakdown of financial assets and liabilities by residual contractual duration - Currency: Other

31 12 2025

Account	On demand	1 to 7 days	7 to 15 days	15 days to 1 month	1 to 3 month	3 to 6 month	6 month to 1 year	1 to 5 years	Over 5 years	Unspecified maturity
Balance-sheet assets	674,632	349,251	272,397	370,256	651,484	1,006,863	1,260,357	1,895,194	1,245,588	1,700
A.1 Government securities	-	-	-	-	16,514	1,780	172,031	132	52,630	-
A.2 Other debt securities	1	-	1,985	4,911	54,395	249,397	347,956	413,704	1,123,858	-
A.3 Units of UCITS	44,815	-	-	-	-	-	-	-	-	-
A.4 Loans	629,816	349,251	270,412	365,345	580,575	755,686	740,370	1,481,358	69,100	1,700
- Banks	362,360	262,987	156,133	51,476	32,576	26,843	25,506	468,085	44,183	-
- Customers	267,456	86,264	114,278	313,869	547,998	728,843	714,864	1,013,273	24,917	1,700
Balance-sheet liabilities	2,133,587	266,150	166,813	81,743	401,507	90,224	480,506	1,673,442	223,205	-
B.1 Deposits and current accounts	897,107	28	26,987	12,327	45,056	37,355	2,137	-	-	-
- Banks	166,825	-	-	-	-	-	-	-	-	-
- Customers	730,282	28	26,987	12,327	45,056	37,355	2,137	-	-	-
B.2 Debt securities	11	-	75	35,823	22,910	48,916	34,252	1,291,259	186,435	-
B.3 Other liabilities	1,236,469	266,122	139,751	33,593	333,541	3,953	444,117	382,183	36,770	-
Off-balance-sheet transactions										
C.1 Financial derivatives with exchange of principal										
- long positions	31,314	1,298,212	79,406	10,497,614	1,028,496	6,443,064	705,473	2,232,943	7,250,791	-
- short positions	35,981	1,248,186	86,000	424,550	1,241,228	430,969	993,419	2,003,894	586,799	-
C.2 Financial derivatives without exchange of principal										
- long positions	35,529	176	601	24,370	3,554	90,734	61,297	-	-	-
- short positions	35,981	3,723	538	52,647	8,016	182,727	18,559	-	-	-
C.3 Deposits and borrowings to be received										
- long positions	-	404,091	132,496	17,144	-	-	-	-	-	-
- short positions	-	55,834	-	-	-	-	-	170,134	327,763	-
C.4 Irrevocable commitments to disburse funds										
- long positions	-	91,792	-	666	967	823	1,339	97,338	344,112	-
- short positions	3,175	381,825	34,038	17,121	-	619	-	-	100,257	-
C.5 Financial guarantees given	60	-	-	78	4	-	2	-	-	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of principal										
- long positions	-	-	-	-	-	25,532	77,872	234,426	119,447	-
- short positions	-	-	-	-	-	25,532	77,872	349,319	4,553	-
C.8 Credit derivatives without exchange of principal										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-

Self-securitisations

The securitisation transactions whereby the Group underwrites securities issued by vehicle companies (self-securitisations), or for which only securities fully subscribed by the Group remained outstanding, are not shown in the tables of Part E of the Notes to the Financial Statements, section “C. Asset securitisation and disposal transactions”, pursuant to the provisions of Circular 262 of the Bank of Italy.

Self-securitisations of assets are transactions aimed at improving liquidity risk management by optimising the amount of assets readily available to cover liquidity requirements.

Although the Group's direct and full underwriting of the notes issued by the vehicles does not make it possible to obtain direct liquidity from the market, it still provides the Group with securities that could be used for ECB refinancing (limited to the senior tranches as ECB eligible) and for purchase agreements by increasing the availability of disposable assets, thus improving the MPS Group safety margin against liquidity risk (counterbalancing capacity). From an accounting point of view, loans continue to be reported under item 40b) “Financial assets measured at amortised cost: loans to customers” on the assets side, while underwritten notes are not reported.

As at 31 December 2025, this category includes the self-securitisations completed by Montepaschi¹²⁶ in December 2007 (Siena Mortgages 07–5), April 2008 (Siena Mortgages 07-5 II series) and in April 2019 (Siena PMI 2016 Series 2)¹²⁷.

Siena Mortgages 07-5, I and II series

On 21 December 2007, the Group, through the special purpose vehicle Siena Mortgages 07-5 S.p.A., has finalised a securitisation of performing loans consisting of a portfolio of 57,968 residential mortgage loans for a total of EUR 5,162.4 mln, with EUR 375.7 mln (8,946 mortgage loans) outstanding as at 31 December 2025.

In order to fund the acquisition, the vehicle issued RMBS Securities (Residential Mortgage Backed Floating Rate Notes) in the following classes, which as at 31 December 2025 had the rating assigned by Moody's and Fitch:

- Class A Securities for a nominal amount of EUR 4,765.9 mln, redeemed in full;
- Class B Securities (Aa2 and AA+) for a nominal amount of EUR 157.4 mln, redeemed for EUR 11.3 mln;
- Securities class C (A1 and B+), for a nominal amount of EUR 239.0 mln.

At the same time as the securities listed above, the vehicle also issued class D securities for an initial amount of EUR 124.0 mln, the proceeds of which were partly used to establish a cash reserve. As at 31 December 2025, that reserve was at its target level and amounted to EUR 38.8 mln. The Class D Securities were redeemed until the 10% threshold (EUR 12.4 mln) was reached.

Through the same special purpose vehicle (Siena Mortgages 07-5 S.p.A.), on 24 April 2008 a second transaction was finalised (Siena Mortgages 07-5 series 2), collateralised by a separate pool of assets consisting of an additional sale of a portfolio of performing loans composed of 41,888 residential mortgage loans for a total of EUR 3,416.0 mln and with a residual life of about 20 years. As at 31 December 2025, this portfolio had a residual debt of EUR 273.5 mln (6,027 mortgages).

In order to fund the acquisition of the loans, the vehicle issued RMBS Securities in the following classes, each having as at 31 December 2025 the rating assigned by Moody's and Fitch:

- Class A Securities for a nominal amount of EUR 3,129.4 mln, redeemed in full;
- Class B Securities (Aa2 and A+) for a nominal value of EUR 108.3 mln, redeemed for EUR 6.9 mln;
- class C notes (NR and CCC), for a nominal amount of EUR 178.3 mln.

At the same time as the securities listed above, the vehicle also issued class D securities for an initial amount of EUR 82.1 mln, the proceeds of which were partly allocated to the establishment of a cash reserve. The target level of the cash reserve was gradually reduced based on the performance of the transaction: as at 31 December 2025, this reserve amounted to EUR 24.4 mln. The Class D Securities were redeemed until reaching the 10% threshold (EUR 8.2 mln).

¹²⁶ Mediobanca has no outstanding self-securitisation transactions involving loans.

¹²⁷ The Siena PMI 2016 Series 2 transaction, following redemption of the securities placed on the market, became a self-securitisation in 2022 since the outstanding securities were entirely underwritten by the Parent Company.

Siena PMI 2016 Series 2

On 12 April 2019, the Group finalised a securitisation transaction through the vehicle named Siena PMI 2016 Srl. The Parent Company sold a portfolio of performing loans granted to Italian small and medium-sized enterprises, amounting to EUR 2,258.4 mln. As of 31 December 2025, the residual debt amounted to EUR 231.8 mln, for 1,821 loan agreements.

To finance the acquisition of the portfolio sold, the SPV on 19 June 2019 issued ABS Securities (Asset Backed Securities), in the following classes, rated as at 31 December 2025 by Fitch and DBRS as follows:

- class A1 notes for a nominal amount of EUR 519.4 mln, redeemed in full;
- class A2 notes for a nominal amount of EUR 813.0 mln, redeemed in full;
- class B notes for a nominal amount of EUR 225.8 mln, redeemed in full;
- class C notes for a nominal amount of EUR 271.0 mln, redeemed in full;
- Class C notes (AA and AAH) for a nominal amount of EUR 248.5 mln, of which EUR 174.3 mln redeemed;
- class J notes (not rated) for a nominal amount of EUR 180.7 mln.

The class A2 notes were placed with institutional investors for a total of EUR 720 mln; the remaining senior notes, together with the mezzanine and junior notes, were instead underwritten by the Parent Company.

In 2019, the partial sale of the Class A2 notes on the market did not entail the derecognition of the underlying assets from the balance sheet of the assignor bank, which had substantially retained all risks and benefits associated with the ownership of the assets sold. Following the full repayment of this class in 2022, the 'own securitisation without derecognition' transaction was included in the self-securitisation transactions.

1.5 – Operational risk

Qualitative Information

A. general information, operational procedures and measurement methods

General aspects and Framework structure

The Montepaschi Group has implemented an integrated operational risk management system involving the Parent Company and the Group companies falling within the scope of application. The approach defines the standards, methods and instruments that make it possible to measure risk exposure and the effects of mitigation by business area.

The Operational Risk Framework represents the overall system for risk management and provides for the implementation of specific operating and control processes for the collection and consequent use of quantitative and qualitative information required for the active management of the operational risk profile.

In accordance with art. 323 of EU Regulation 575/2013, as amended by EU Regulation 2024/1623, as regards operational risk requirements, the Operational Risk Management Framework adopted by the Group provides for:

- an operational risk management function independent of the institution's activities and operating units;
- a documented operational risk management system for which clear responsibilities have been defined;
- an operational risk assessment and management system capable of identifying the institution's exposures to that risk and keeping track of relevant data;
- the involvement of Top Management in the collection of assessments and opinions on forward-looking operational risk;
- a periodic system for monitoring and reporting operational risk exposures and recorded losses, as well as the preparation of mitigation actions determined on the basis of periodic monitoring (also defined within the Risk Appetite Framework);
- procedures ensuring compliance with the requirements and policies for dealing with cases of non-compliance (participation in the internal control system);
- periodic review of the institution's operational risk assessment and management processes and systems, carried out by internal or external auditors.

The Operational Risk Framework defines responsibilities at Group level exercised by the Parent Company Banca Monte dei Paschi di Siena and responsibilities carried out locally by the individual Group companies falling within the scope of application.

The operational risk management process may be summarised as follows.

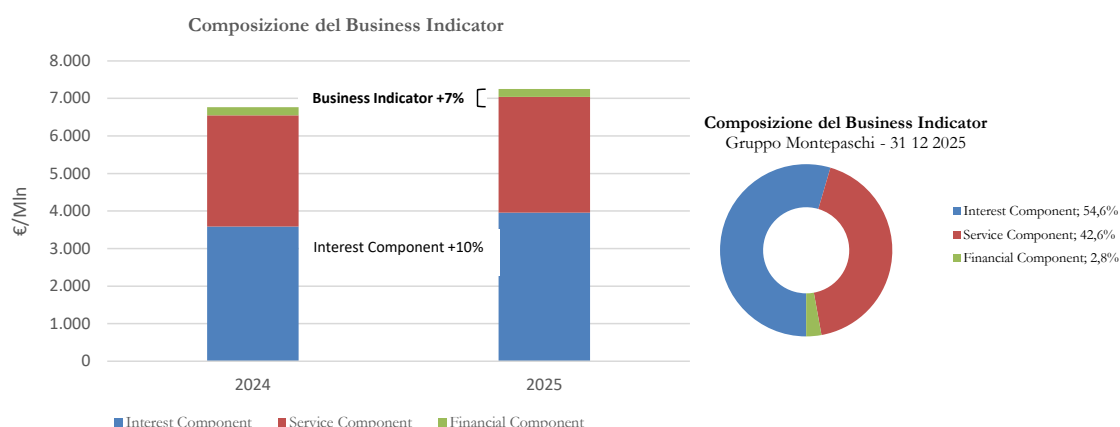
- Risk identification: analysis of business processes and mapping of potential risks, inventory of operational losses, analysis of events occurring at banking system level and identification of risk exposure indicators.
- Risk measurement: through statistical analysis of historical data and subjective estimates, an estimate is made of the frequency and severity of operational risk events. Measurement includes the collection of loss data and the calculation of the annual operational risk loss (article 316 of EU Regulation 575/2013), in addition to the definition of methodologies and instruments for risk assessment.
- Calculation of the own funds requirement for operational risk: through the application of the standardised calculation model as defined in EU Regulation 1623/2024.
- Risk monitoring: constant verification of the economic impacts (actual and potential) of operational risk and of the strategic guidance on risk appetite, both in management and in capital terms. The results of the monitoring activity are submitted to the corporate bodies through a periodic reporting system.
- Risk management/control: defines the process aimed at identifying actions to mitigate, retain and transfer risk factors (processes, information systems and human resources). Given the very nature of operational risks, particular importance attaches to the internal control system as well as the use of insurance policies for risk transfer, which must, however, complement and not replace the internal control process.

The Operational Risk Management function regularly carries out stress analyses for operational risks, including the stress test exercise for the entire Group, aimed at verifying, through the use of a statistical-econometric model, the impact in terms of operational losses, as well as the consequent repercussions on capital at risk, of changes in the underlying macroeconomic factors, or changes in the idiosyncratic components of operational risk.

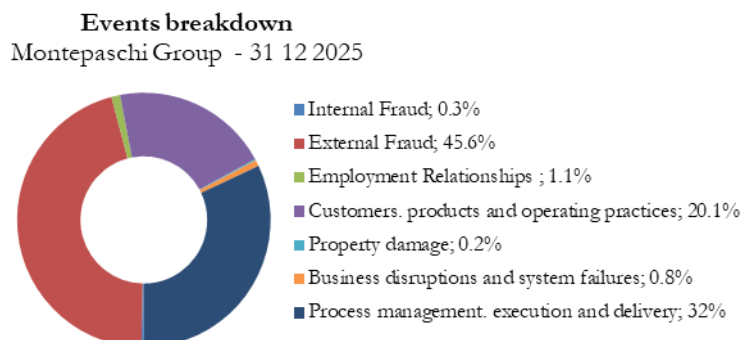
Quantitative Information

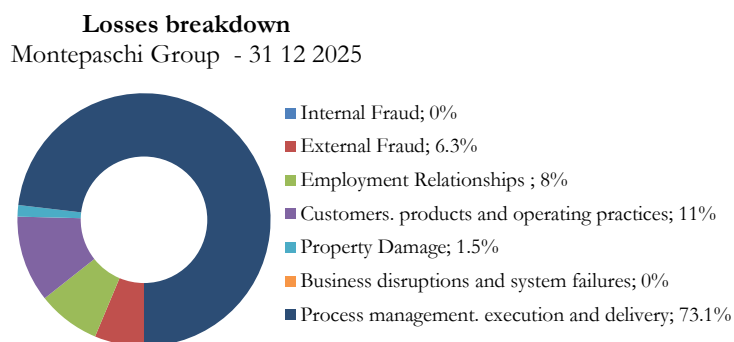
Starting from 1 January 2025, the Group determines the own funds requirement for Operational Risk according to the new standard model introduced with the amendment of the Basel framework and, more specifically, with the publication of Regulation (EU) 1623/2024 in the Official Journal of the European Union in June 2024. The model is based on the size of the business, determined through a Business Indicator for the Group. In the event of merger or acquisition transactions, the new secondary regulations introduce the possibility of determining the Business Indicator by applying a conversion factor (M&A Factor), determined on the basis of the ratio between the sum of the Total Net Operating Income of the entities within the consolidation perimeter and the Net Operating Income of the consolidating Group.

The Business Indicator as at 31 December 2025 showed a slight increase (+7%) compared with the 2024 figure (pro forma on the basis of the new Group consolidation perimeter and using the same calculation model adopted for the first measurement in September 2025). The change was mainly due to the increase in the Interest Component (+10%), which represents 54.6% of the Indicator.



The Annual Operational Risk Loss component (art. 316) is represented through Loss Data Collection. Set out below is the percentage distribution of the number of new events and of the operational losses recognised by the Group in 2025, broken down by the different risk classes.





The types of event with the greatest impact on the income statement remain attributable to operational and process management shortfalls (under “Process management, execution and delivery”: approximately 73% of the total).

As regards shortcomings in the execution of transactions or in process management, the events are mainly attributable to litigation brought by customers in default as well as to legal actions.

As at 31 December 2025, the number of operational risk events and the operating losses have decreased compared to December 2024.

Main types of legal, employment and tax risks

The following were pending as at 31 December 2025:

- legal proceedings with *a total amount claimed*, where quantified, totalling EUR 3,130.1 mln
- out-of-court claims with *a total amount claimed*, where quantified, totalling EUR 66.4 mln.
- risks associated with contractual guarantees with *a total amount claimed*, where quantified, of EUR 273.4 mln.

These amounts, in accordance with IAS 37, include all disputes, out-of-court claims and contractual risks for which the risk of disbursement of economic resources deriving from potential loss has been assessed as likely or possible and, therefore, does not include disputes for which the risk has been assessed as remote. The aforementioned risks were specifically and carefully analysed by the Group, particularly in the presence of a likely risk gradient and if a reliable estimate of the relative amount could be made, and specific and appropriate provisions were allocated to the Provision for Risks and Charges. Without prejudice to the risk of uncertainty that characterises every dispute, the estimate of the obligations that could emerge from the disputes - and therefore the amount of any provisions made - derives from the forecast assessments regarding the outcome of the proceedings.

These forward-looking assessments are in any case carried out on the basis of the information available at the time of the estimate and updated during the course of the valuation. As indicated in the paragraphs "Use of estimates and assumptions when preparing financial statements", to which reference is made, the complexity of the situations forming the basis of the disputes imply significant elements of proceedings that could affect the if, how much and related materialisation timing of the liability. In this regard, therefore, although the Group's estimates are considered robust, reliable and compliant with the dictates of reference accounting standards, it cannot be excluded that charges arising on final settlement of the disputes may prove different, even significantly, from those allocated. The above aggregate includes:

1. Legal disputes and out-of-court claims

The following were pending as at 31 December 2025:

- legal disputes with total relief sought, where quantified, of EUR 2,949.6 mln, of which approximately EUR 1,442.2 mln as a total amount claimed relating to disputes classified as a "likely" risk, for which provisions for EUR 428.3 mln are recognised and approximately EUR 1,507.4 mln as a total amount claimed attributed to disputes classified as having "possible" risk;
- out-of-court claims for a total amount claimed, where quantified, of approximately EUR 66.4 mln, of which approximately EUR 48.1 mln classified as a "probable" risk of losing the case and approximately EUR 18.3 mln as a "possible" risk of losing the case.

The disputes of greatest relevance by macro-category or individually are illustrated below.

Disputes regarding compound interest, interest rates and conditions

The total relief sought in these disputes as at 31 December 2025 amounted to EUR 146.2 mln (EUR 184.1 mln as at 31 December 2024), while the allocated provisions amounted to EUR 60.4 mln (down from the provision of EUR 79.7 mln as at 31 December 2024).

Dispute regarding claw-back actions in insolvency proceedings

The total relief sought in these disputes as at 31 December 2025 was EUR 19.6 mln (EUR 30.9 mln as at 31 December 2024), while allocated provisions totalled EUR 11.9 mln (a decrease of EUR 13.9 mln compared to 31 December 2024).

Dispute with purchasers of subordinated bonds issued by Group companies

Following the burden-sharing implemented in 2017 pursuant to Italian Law Decree No. 237/2016, certain investors who purchased subordinated bonds issued by the Bank (who later became shareholders as a result of that measure, with consequent capital losses compared to the amount initially invested) brought legal action against the Parent Company, largely alleging that the Bank, as intermediary, breached the specific sector regulations, especially with regard to disclosure, as at the time of the investment the Parent Company would not have informed customers about the nature and characteristics of the subordinated bonds purchased.

This dispute is primarily related to investments in Lower Tier II bonds; indeed, in the majority of the cases the investors had their securities converted into ordinary shares pursuant to the law, without being able to benefit from the public offering for settlement and exchange promoted by the Bank pursuant to Decree no. 237/2016 (known as Burden Sharing Decree) intended for retail investors only.

For completeness, note that there are also a limited number of other cases in which counterparties, despite having purchased Upper Tier II securities, challenge those securities. Lastly, in a limited number of disputes, investors, although

having disposed of their bonds prior to the Burden Sharing, focus their challenges on the alleged lack of disclosure and/or breach of the specific sector regulations.

The total relief sought in these disputes as at 31 December 2025 was EUR 29.5 mln (EUR 30.8 mln as at 31 December 2024), while allocated provisions totalled EUR 15.2 mln (down compared to a total provision of EUR 0.8 mln as at 31 December 2024).

Derivatives litigation

The litigation concerning OTC derivative contracts mainly concerns, in most cases, actions to establish the nullity, voidability or termination of the product, on the assumption that the financial instrument is invalid, mainly because it lacks indications of elements such as the mark to market and the probabilistic scenarios considered essential by the case law developed following the well-known judgment of the Court of Cassation, Joint Sections, No. 8770/2020 (later confirmed by subsequent rulings No. 21830/2021 and No. 22014/2023).

On the assumption of the nullity and/or invalidity of the financial instrument, the counterparties request that the Bank be ordered to return all amounts paid for the financial instruments subject to the proceedings, or the repayment of the differentials paid, the commissions as well as the failure to assume the residual mark to market in cases where the derivative is still in place.

The total relief sought in these disputes as at 31 December 2025 was EUR 54.2 mln (EUR 126.0 mln as at 31 December 2024), while allocated provisions totalled EUR 27.1 mln (a decrease of EUR 40.8 mln compared to 31 December 2024).

Disputes and out-of-court claims related to financial information

As at 31 December 2025, with regard to the financial information disclosed during the past periods the Parent Company was exposed to civil actions and in criminal proceeding 33714/16. The total relief sought at the same date for this type of dispute was equal to approx. EUR 1,157 mln, broken down as follows (data in EUR mln):

Type	31/12/25	30/09/25	30/06/25	31/03/25	31/12/24
Civil dispute	674	674	674	674	674
Filed civil claim cp 955/16	-	-	-	-	160
Filed civil claim cp 33714/16 and cp 29877/22	483	483	483	509	509
Total legal proceedings	1,157	1,157	1,157	1,183	1,343

With reference to criminal proceedings, it is noted:

- the definition of PP 955/16. Specifically, the total amount claimed of EUR 160 mln referred to therein was extinguished following the ruling of the Fifth Chamber of the Court of Cassation on 20 February 2025, which rejected the appeals of the Attorney General and the civil party Bluebell Capital Partners, confirming the ruling of the Milan Court of Appeal of 11 December 2023 acquitting the defendants and the Parent Company;
- for PP 29877/22, at the hearing on 20 January 2025, the Preliminary Hearing Judge (GUP) ordered its joinder with PP 33714/16. Furthermore, by judgment of 6 June 2025, the Preliminary Hearing Judge issued a ruling of no case to answer with respect to the defendants subject to the compulsory indictment. As a result, this decision prevents the civil parties from bringing compensation claims against the Parent Company as the civilly liable party, leading to the elimination of the relevant amount claimed.

The main disputes pending as at 31 December 2025 are set out below.

Banca Monte dei Paschi di Siena S.p.A. vs. Alken Fund Sicav and Alken Luxembourg S.A. (now VIRMONT SA) dispute

On 22 November 2017, the opposing parties (the “Funds”) served a complaint on the Parent Company, as well as Nomura International (“Nomura”), Giuseppe Mussari, Antonio Vigni, Alessandro Profumo, Fabrizio Viola and Paolo Salvadori, before the Court of Milan, requesting that the court confirm and declare: (i) an alleged liability of the Parent Company under Article 94 of the TUF and Article 2935 of the Italian Civil Code for the torts committed against the Claimants; (ii) alleged liability of the defendants Mussari and Vigni in relation to the investments made by the Funds in 2012 on the basis of the untrue information; (iii) an alleged liability of the defendants Viola, Profumo and Salvadori in relation to the investments made by the Funds after 2012 and finally (iv) an alleged liability of Nomura pursuant to Article 2043 of the Italian Civil Code.

On these grounds, the Funds sought an order that the defendants be jointly and severally ordered to pay compensation for pecuniary loss in the amount of EUR 423.9 mln for Alken Funds Sicav and EUR 10 mln for lower management fees and reputational damage for the management company Alken Luxembourg SA, as well as an order that the defendants pay compensation for non-pecuniary loss, subject to a finding of the crime of false corporate communications. The Parent Company duly appeared and set out its defence; Four individuals also intervened in the case, claiming damages totalling approximately EUR 0.7 mln. In a ruling dated 7 July 2021, the Court of Milan rejected all the claims of the Funds, which were ordered to pay the Bank’s legal fees. The request of an intervener was only partially accepted, in relation to which the Parent Company was ordered to pay the sum of approximately EUR 52 thousand (for principal and interest) jointly with Nomura and in part with Messrs. Antonio Vigni and Giuseppe Mussari. Both the Parent Company and Nomura and the Funds appealed (the latter for a total amount claimed of approximately EUR 454 mln) against the ruling before the Court of Appeal of Milan. The three proceedings were joined and finally the Court of Appeal of Milan, with a ruling published on 9 November 2023, rejected the Funds’ claims in their entirety, while upholding the appeals of Banca MPS, Nomura, Mussari and Vigni. On 9 January 2024, the Funds filed an appeal with the Court of Cassation, where the Parent Company duly appeared, requesting the rejection of the opposing appeal and an order that the Funds pay the costs.

Vertenza Banca Monte dei Paschi di Siena S.p.A. vs. Fondi York and York Lussemburgo

On 11 March 2019, York Funds and York Luxembourg served a writ of summons, bringing an action before the Court of Milan (Section specialised in corporate matters) against the parent Company, Messrs. Alessandro Profumo, Fabrizio Viola, and Paolo Salvadori as well as Nomura International PLC, ordering the defendants, jointly and severally, to pay damages for pecuniary damages quantified in a total of EUR 186.7 mln and non-pecuniary damages to be settled on an equitable basis pursuant to Article 1226 of the Italian Civil Code, plus interest and revaluation.

The plaintiffs’ claim relates to losses incurred as part of its investment transactions in Banca MPS totalling EUR 520.3 mln, carried out through the purchase of shares (investment of EUR 41.4 mln by the York Luxembourg Fund) and through synthetic purchases of equity swap contracts (whose value was linked to the performance of the MPS share at a 1:1 ratio) (investment of EUR 478.9 mln by the York Funds). The counterparties claimed that they had disposed of the two investments described above with losses of approximately EUR 5.5 mln in the first investment and EUR 181.2 mln in the second, losses that, according to the counterparties, were caused by unlawful conduct of the Bank’s top management that distorted the financial representation in the financial statements, significantly altering the assumptions underlying the valuation of the financial instruments issued by the Parent Company.

The Parent Company duly appeared before the court.

In its judgment of 16 May 2024, the Court of Milan dismissed all the claims of the Funds, which were condemned to pay legal costs amounting to EUR 240 thousand in addition to the payment of the sum of EUR 120 thousand pursuant to Article 96 of the Italian Code of Civil Procedure in favour of each defendant.

On 17 June 2024, the Funds appealed against this judgment; the Parent Company duly entered an appearance in view of the first hearing set for 22 January 2025. At the said hearing, having acknowledged the death of Dr Salvadori, the proceedings were declared suspended. By application served on 28 February 2025, the Funds resumed the proceedings and at the first hearing on 25 June 2025, the documentary evidence requested by the claimants and by the defendant Bank concerning certain rulings issued in criminal proceedings related to non-performing loans was admitted, after which the Funds reiterated their evidentiary requests, already set out in the defence documents.

By order of 30 December 2025, the Court of Appeal, deeming the case ready for decision, adjourned it to the hearing of 6 May 2026 for referral of the case to the panel.

*Banca Monte dei Paschi di Siena S.p.A. / Civil action and third-party action of the Parent Company as civilly liable party*Criminal proceedings no. 33714/16

In relation to criminal proceedings no. 33714/16 pending before the Milan Public Prosecutor's Office, the Parent Company was originally implicated as party bearing administrative liability pursuant to Italian Legislative Decree no. 231/2001 in connection with an allegation of false corporate communications (pursuant to art. 2622 of the Italian Civil Code) relating to the 2012, 2013, 2014 Financial Statements and the 2015 half-yearly report due to the alleged overstatement of so-called non-performing loans.

On 4 May 2018, the Bank's position was dismissed by the Public Prosecutor's Office due to the groundlessness of the crime (a measure also confirmed by the General Prosecutor's Office on 15 March 2019).

On 25 July 2019, the GIP [Preliminary Investigations Judge] of the Court of Milan, while acknowledging the dismissal of the proceedings against the Parent Company, as the liable entity pursuant to Italian Legislative Decree No. 231/2001 and ordered the continuation of the investigations of the defendant natural persons (i.e. chairman of the Board of Directors, Managing Director/CEO and pro-tempore Chairman of the Board of Statutory Auditors) which initially continued in the form of the evidence gathering procedure during which two experts were appointed by the GIP who, on 30 April 2021, filed their report.

Subsequently, in the context of further investigations, the Public Prosecutor ordered two new technical consultations which, although noting some alleged accounting errors, reached significantly different conclusions from those of the expert report ordered ex officio by the GIP in the context of the evidence gathering procedure.

On 16 September 2022, a notice was received concerning the conclusion of preliminary investigations pursuant to art. 415-bis of the Italian Code of Criminal Procedure against three former members of the Bank (two Chairmen of the Board of Directors and one Chief Executive Officer) and a former Executive manager (responsible for the preparation of corporate accounting documents). Despite the previous dismissal, the Bank also received the same notice as party bearing administrative liability pursuant to Italian Legislative Decree 231/01.

On 14 December 2022, a request for committal for trial was issued against the above-mentioned representatives and the former Executive manager; On 12 December 2022, the Bank's position as administratively liable pursuant to the Compliance Model under law 231 was instead dismissed.

The natural persons are charged with the offences of false corporate communications (pursuant to art. 2622 of the Italian Civil Code) and market manipulation (pursuant to art. 185 of the Consolidated Law on Finance) with reference to the 2013-2014-2015 Financial Statements and the 2015-2016 half-yearly reports, as well as of false information (pursuant to art. 173-bis of the Consolidated Law on Finance) in relation to the 2014-2015 prospectuses.

At the preliminary hearing, civil parties with a combined total of more than 5,000 names appeared. Most of the aforementioned civil parties requested the summoning of Banca Monte di Paschi di Siena as civilly liable and at the hearing of 10 November 2023, the Bank duly appeared.

At the hearing of 22 April 2024, the Judge for the Preliminary Hearing read the order concerning the issues on civil action, ordering the exclusion mainly for formal defects of almost 300 civil parties with a total amount claimed, where quantified, of approximately EUR 12 mln.

At the hearing of 20 June 2024, the Preliminary Hearing Judge, assigned to the matter of compulsory indictments relating to Criminal Proceedings no. 29877/2022 (see below), issued an order expressing opinion in favour of merging the two proceedings, deeming the legal prerequisites to be met. These proceedings were, accordingly, merged at the hearing of 20 January 2025. It should be noted that the supplementary investigation with the compulsory indictment for alleged fraud against the State in relation to the precautionary recapitalisation transaction was subject of a request of dismissal by a Public Prosecutor, who considered the report of the offence to be unfounded.

At the following hearing of 28 February 2025, the Public Prosecutor requested that a "ruling not to proceed" be issued for all the natural persons in relation to the charges in both criminal proceedings 33714/16 and in the joined criminal proceedings 29877/22, with the exception of the charge relating to false corporate communications, with reference to the financial statements relating to the financial year 2015 and to the half-yearly financial report as at 30 June 2016, for which the Public Prosecutor requested the indictment of the former Chairman of the Board of Directors, of the former Chief Executive Officer and of the former Financial Reporting Officer.

Following the final preliminary hearing held on 6 June 2025, the Preliminary Hearing Judge issued a ruling of no case to answer: i) in relation to five individuals, two former employees and three former officers of the Bank, who were subject to mandatory prosecution under criminal proceedings No. 29877/2022 RGNR (concerning alleged false corporate communications and market manipulation in connection with the nine-month report and the 2016 financial statements,

as well as the half-year report and the 2017 financial statements), due to the inability to formulate a reasonable prospect of conviction; ii) in relation to two former officers of the Bank and one former executive, for the offence of false corporate communications alleged in criminal proceedings No. 33714/2016 RGNR, limited to the 2014 financial statements, due to the statute of limitations having expired.

Conversely, the Preliminary Hearing Judge ordered the indictment of three former officers of the Bank and one former executive in respect of all remaining charges brought in criminal proceedings No. 33714/2016 RGNR, specifically for the offences of false corporate communications in relation to the 2015 half-year report and annual financial statements, as well as the 2016 half-year report; false prospectus, in relation to the prospectuses dated 6 June 2014 and 22 May 2015; market manipulation, in connection with the press releases approving the 2013, 2014, and 2015 financial statements, the 2015 and 2016 half-year reports, and the prospectuses dated 6 June 2014 and 22 May 2015.

At the hearing on 18 July 2025, the Preliminary Hearing Judge ordered the compilation of the trial dossier, including, in addition to the documents required by law, the expert report obtained during the preliminary evidentiary phase.

At the hearing scheduled for 16 October 2025, the Court adjourned the hearing on the case to the hearing of 13 January 2026, at which no. 42 civil parties reappeared, who had already appeared at the preliminary hearing and were excluded by the order of 22 April 2024.

At the subsequent hearing on 22 January 2026, the Court issued an admission/exclusion order, following which no. 4,966 civil parties were definitively admitted to the trial.

At the hearing on 13 February 2026, the preliminary issues were addressed and the trial was declared open, with oral evidence admitted. The hearing was then adjourned to 19 February 2026 to decide on the declaration that the offence was time-barred and for the hearing of the Public Prosecutor's first witnesses and at the subsequent hearing on 24 February 2026 the Court issued a ruling that proceedings should not continue due to the statute of limitations having expired for the offence of false corporate communications in relation to the half-year report as at 30 June 2015. The hearing continued with the examination of witnesses. A dense schedule of hearings has also been drawn up, running until May 2026, to hear all the witnesses.

Criminal Proceedings no. 29877/2022, Court of Milan

On 28 May 2024, a number of employees, former employees and former representatives of the Parent Company received an order pursuant to Articles 409 and 410 of the Italian Criminal Code concerning "non-performing loans", regarding the alleged failure to recognise prior losses. This de facto order extends the period covered by criminal proceedings 33174/2016 on the same matter, regarding financial statements from 31 December 2013 to 30 June 2016, also to the financial statements as at 31 December 2016 and 31 December 2017. This order commands public prosecutors to proceed with compulsory indictment of five natural persons. With the request for commitment to trial, the public prosecutors simultaneously filed an application to merge this case into the main proceedings (see above, case ref. PP33714/2016).

At the preliminary hearings, held on 23 July 2024 and 23 September 2024, approximately 2,080 civil parties appeared, of which approximately 1,900 had already appeared in cp 33714/2016, with a simultaneous request to summon the Parent Company and Consob as civilly liable.

At the hearing on 28 November 2024, the Parent Company appeared as civilly liable, and at the subsequent hearing on 19 December 2024, the Judge issued the order ordering: (i) the exclusion of Consob as civilly liable party, (ii) the exclusion of 20 civil parties for formal defects.

At the hearing held on 20 January 2025, the Preliminary Hearing Judge ordered the joinder of the two proceedings (see above, PP 33714/2016).

Following the final hearing of 6 June 2025, the Preliminary Hearing Judge issued a ruling of no case to answer with respect to the employees, former employees, and former officers of the Parent Company who were subject to mandatory prosecution, due to the inability to formulate a reasonable prospect of conviction.

The procedural events more fully described above and related: i) the hearing of 20 February 2025 of the Court of Cassation, which upheld the Milan Court of Criminal Appeals' decision to acquit the defendants and the Parent Company in criminal case 955/16; (ii) the ruling of no case to answer, issued by the Preliminary Hearing Judge on 6 June 2025 and which became final on 16 September 2025, in relation to some employees, former employees and former officers of the Parent Company, subject to the compulsory indictment order, due to the inability to formulate a reasonable prospect of

conviction, taking into account also the progressive accumulation of further favourable judgments across all the clusters of civil litigation relating to the disclosure of financial information in the period 2008-2015, led to confirmation of the assessments of the risk of losing already made in the previous financial year.

In detail, the civil parties appearing in criminal proceedings 33714/2016 are classified as a “probable” risk, while the civil litigation is classified as a “possible” risk, relating to: (i) the share capital increases in both 2008-2011 and 2014-2015, which were also the subject of criminal proceedings 29634/14 and 955/2016 (now extinguished), with the full acquittal of all defendants; (ii) the civil litigation concerning non-performing loans, also the subject of case ref. p.p. 33714/2016, and the civil litigation is classified as a “remote” risk relating to the share capital increases 2008-2011 and the out-of-court complaints filed by investors concerning the alleged false disclosures relating to the recognition of the Alexandria and Santorini transactions and of “non-performing loans”.

The provisions for risks and charges relating to proceedings classified as “likely risk” were determined so as to take into account the amount invested by the counterparty in specific periods of time by the disputed information alterations (net of any disinvestments made during these same periods). The damage subject to compensation was then determined on the basis of the “differential damage” criterion, which identifies the damage as the lowest price that the investor would have had to pay if he had access to complete and correct information. For the purposes of this determination, econometric analysis techniques have been adopted - with the support of qualified experts - suitable to eliminate, among other things, the component inherent in the performance of the equity securities belonging to the banking sector during the reference period. More in detail, the total damage caused by each event potentially capable of generating information alterations was first quantified and then the amount abstractly attributable to the individual civil party was calculated, taking into account the share of capital held from time to time. From a prudential standpoint, along with the differential damage, the different criterion of “full compensation” was also taken into account (of a minor importance in the prevailing law, including the one that is currently taking shape on this specific subject matter), and that is based on the argument that false or incomplete information may have a causal impact on the investment choices of the investors to such an extent that, in the presence of correct information, they would not have made the investment in question; in this case, the damage is therefore commensurate to the invested capital, net of the amounts recovered from the sale of shares by the civil party.

In any case, the Parent Company has exercised the possibility granted by IAS 37 of not providing disclosures on the provisions allocated in the balance sheet as it believes that such information could seriously jeopardise its position in disputes and in potential settlement agreements.

Overall, settlement agreements were reached which led to the closure of disputes and out-of-court claims for a total relief sought of approximately EUR 4.4 bn with a total outlay of approximately EUR 241 mln (5.5% of the relief sought); these amounts include the transaction for EUR 150 mln with the MPS Foundation, which took place in 2021, against a relief sought of EUR 3.8 bn (4% of the relief sought).

It should also be noted that up to December 2025, disputes and criminal proceedings for relief sought of approximately EUR 953 mln have reached judgement, at least at first instance. Unfavourable judgements represent less than 2% of the relief sought which reached judgement and resulted in the Bank being ordered to pay damages for approximately 0.1% of the relief sought which reached judgement.

Criminal investigation into the Mediobanca transaction

Criminal Proceedings no. 13178/2025 RGNR – Court of Milan

Criminal proceedings no. 13178/2025 RGNR pending before the Milan Public Prosecutor's Office involve the current Chief Executive Officer, who, on 27 November 2025, was served with a notice of investigation in relation to the voluntary public exchange offer concerning Mediobanca shares.

According to the provisional charge, the offences of market manipulation and obstruction of the exercise of the functions of the Public Supervisory Authorities were alleged against the aforesaid Chief Executive Officer, as well as against the chairman of the Board of Directors of Delfin S.a.r.l. and the individual identified as the “head” of the “Caltagirone Group”. In particular, according to the prosecution's case, the conduct under challenge (differentiated between the three suspects) was aimed at concealing from the market, as well as from Consob, the ECB and IVASS, the existence of shareholders' agreements between significant Mediobanca shareholders, which would have resulted, on the one hand, in the alteration of the price of the relevant shares and, on the other, in obstruction of the supervisory functions of the aforesaid Authorities. It should be noted that, at present, among the various alleged acts attributed to the three individuals under investigation, the only conduct attributed to the Chief Executive Officer consists of having allegedly

acted in concert with the other persons under investigation in relation to the public exchange offer through which the Parent Company would have acquired control of Mediobanca.

The Parent Company is not under investigation as an administratively liable entity pursuant to Legislative Decree No. 231/2001 and, based on the preliminary documentation made available to the Investigating Authority, consistent documentary evidence from Consob, IVASS, the Bank of Italy and the ECB has been identified – including in the context of meetings of the collegial bodies – confirming the absence of any form of acting in concert.

The proceedings are currently at the preliminary investigation stage.

Banca Monte dei Paschi di Siena S.p.A. vs. Fresh 2008 bondholders

Certain holders of FRESH 2008 Bonds maturing in 2099, by document served on 15 November 2017, sued the Parent Company, Mitsubishi UFJ Investors Services & Banking Luxembourg SA (which replaced the issuing Bank of New York Mellon Luxembourg), the English company JP Morgan Securities PLC and the American company JP Morgan Chase Bank N.A. (which entered into a swap agreement with the issuer of the bond) before the Court of Luxembourg in order to: (i) establish the inapplicability of the Burden Sharing Decree to the holders of the FRESH 2008 Securities and, consequently, to hold that the said bonds cannot be forcibly converted into shares, (ii) assert the validity and effectiveness of the said bonds in accordance with the terms and conditions of their issue as governed by Luxembourg law, and, finally, (iii) assert that the Parent Company is not entitled, in the absence of the conversion of the FRESH 2008 Securities, to obtain from JP Morgan the payment of EUR 49.9 mln to the detriment of the holders of the FRESH 2008 Securities. The Court of Luxembourg, by order of 11 January 2022, rejected the Parent Company's requests for a stay of the proceedings until the international courts have ruled on the preliminary objections raised by the Parent Company. Instead, it upheld the plea of lack of jurisdiction of the court in relation to the claim concerning the usufruct contract entered into by the Parent Company with JP Morgan Securities PLC and JP Morgan Chase in the context of the 2008 share capital increase transaction. In relation to the aforementioned usufruct contract, the Luxembourg court reserved its decision pending the decision of the Italian court. On the contrary, it declared its jurisdiction in relation to the swap contract entered into by the Parent Company with the same counterparties in the context of the 2008 capital increase transaction.

Following the commencement of the proceedings by the holders of the FRESH 2008 Securities before the Luxembourg judge, the Parent Company brought separate proceedings before the Court of Milan as claimant, not only to obtain a finding of Italian jurisdiction and the exclusive competence of that Court, but also – and above all – to obtain a ruling on the merits on the effects of Decree No. 237/2016 and the MEF Decree on the contractual relationships forming part of the FRESH 2008 Transaction.

In the action brought before the Court of Milan, the Parent Company in fact sought a finding that the clauses of the Usufruct Agreement and the Company Swap Agreement providing for payment obligations by BMPS had become ineffective and, in the alternative, a declaration of termination or extinguishment of the Usufruct Agreement due to the Capital Deficiency Event that occurred on 30 June 2017, with all consequent rulings releasing the Parent Company from liability.

While the Luxembourg proceedings were pending, the Court of Milan ordered a stay of the proceedings until the foreign judge had decided the issue of jurisdiction.

By judgment of 14 January 2026, the Luxembourg Court of Appeal declared that the Luxembourg court lacked jurisdiction over the entire dispute, substantially endorsing the Parent Company's defensive line.

In light of that ruling, there are sufficient elements to prudently assess the resumption of the proceedings before the Court of Milan.

Other proceedings

Banca Monte dei Paschi di Siena S.p.A. vs. Fatrotek

This case, where the Parent Company was sued together with other credit institutions and companies with the summons of 27 June 2007, seeks the assessment of alleged monetary and non-monetary damage suffered by the plaintiff, as a result of an alleged unlawful report filed with the Italian Central Credit Register. The relative total amount claimed amounts to EUR 157 mln. The plaintiff also asks that the defendant banks be found jointly liable, each proportionately to the seriousness of its behaviour. The Parent Company's defence was based on the fact that the company's extremely severe financial situation fully justified the Parent Company's initiatives.

On 5 June 2018, the bankruptcy of the company was declared, which prompted the receivership to take up the case again. At the end of the preliminary investigation, during which an expert was court-appointed, the case was withheld for decision on 6 October 2022. Subsequently, on 11 November 2022, the Court of Salerno ascertained and settled only the non-pecuniary damage, amounting to EUR 20,000 for each bank (thus totalling EUR 100,000), plus interest and costs of litigation. The disbursement attributable to the Bank is approximately EUR 34 thousand. The case concerning the appeal lodged by the Receivership was held on 11 July 2024, for the acquisition of the official technical report carried out as part of the first instance proceedings.

At the hearing on 25 September 2025 for closing arguments, the case was withheld for decision.

Vertenza Banca Monte dei Paschi di Siena S.p.A. vs. Renova Red SpA

On 9 September 2024, Renova Red brought the Parent Company before the Court of Siena to ascertain the defendant's failure to comply with the framework agreement on the ecobonus, stipulated in September 2021 between the Parent Company and the plaintiff for a total nominal value of approximately EUR 76 mln.

The counterparty argument is that the Parent Company arranged the purchase of only a minimal part of the receivables envisaged in the aforementioned framework agreement, then unjustifiably refusing to purchase subsequent receivables from November 2021. This would have forced Renova Red to find other brokers on the market to complete subsequent factoring only six months later with considerable damages in terms of financial and non-financial losses, estimated by the plaintiff as approximately EUR 32 mln.

Following the initial appearance of the parties on 29 April 2025, the Judge, having lifted the reservation, rejected the evidentiary motions filed by the Parent Company and admitted a court-appointed expert opinion, adjourning the case to the hearing of 2 October 2025 for the assignment of the expert mandate.

At that hearing, the Judge reserved judgment both on Renova's request to replace the court-appointed expert and on the Bank's request to supplement the questions; thereafter, the Judge revoked the previously appointed court-appointed expert, appointing another professional in replacement and partially upholding the Bank's request to supplement the questions.

At the hearing of 8 January 2026 scheduled for the assignment of the mandate to the new court-appointed expert, the Bank requested revocation of the court-appointed expert opinion, on the basis of recent case law favourable from the Court of Siena; however, the new Judge appointed to hear the case rejected that revocation request, confirming the court-appointed expert opinion and adjourning the case to 18 June 2026 to examine the expert report.

Banca Monte dei Paschi di Siena S.p.A. vs. Riscossione Sicilia S.p.A. (now ADER - Revenue Agency - Collections)

Dispute brought by Riscossione Sicilia

By writ of summons notified on 15 July 2016 Riscossione Sicilia S.p.A. (today the Italian Revenue Agency - Collection, hereinafter "ADER," which took over universally in all legal relationships of Riscossione Sicilia starting from 1 October 2021, pursuant to art. 76 of Italian Law Decree no. 73/2021 converted with Italian Law no. 106/2021) had summoned the Parent Company before the Court of Palermo, asking for it to be ordered to pay the total sum of EUR 106.8 mln.

By judgment No. 2350/22, filed on 30 May 2022, the Palermo Court, substantially in line with the conclusions of the court-appointed expert, rejected the claims brought by Riscossione Sicilia and, upholding the counterclaim filed by the Parent Company, ordered the former to pay Banca MPS approximately EUR 2.9 mln, plus statutory interest and legal costs.

This judgment was appealed on 27 December 2022 by summons before the Court of Appeal of Palermo. The Parent Company made an entry of appearance with a petition filed on 13 April 2023, explaining a cross-appeal. The case is currently adjourned for closing arguments until 1 April 2027.

Legal action brought by the Finance Department of the Sicily Regional Government ("the Department")

On 17 July 2018, the Finance Department of the Sicily Regional Government served an injunction order upon the Parent Company pursuant to art. 2, Italian Royal Decree no. 639/1910 (hereinafter also the "Order") and for repayment pursuant to article 823, paragraph 2 of the Italian Civil Code of a total of around EUR 68.6 mln. After integration of the cross-examination of Riscossione Sicilia S.p.A., by ruling no. 3649/2021, published on 4 October 2021 and notified on 5 October 2021, the Court of Palermo rejected the Parent Company's objection to the aforementioned order with simultaneous sentencing of the Parent Company to pay legal costs. The Parent Company lodged an appeal against this decision before the Palermo Court of Appeal. With an order filed on 11 February 2022, the Court of Appeal ordered the integration of the

cross-examination against the Revenue Collection Agency (ADER), as successor of Riscossione Sicilia S.p.A., setting the collegial hearing for the new appearance on 1 July 2022; Currently, the case has been adjourned to the hearing of 22 October 2026 for the specification of conclusions.

Actions brought by Banca Monte dei Paschi di Siena S.p.A.

In the additional and separate administration proceedings (case ref. 2201/2018) brought by the Parent Company before the Regional Administrative Court of Sicily to obtain a declaration of invalidity and cancellation of the injunction order, by ruling no. 3043 of 17 November 2023, the Court accepted the Parent Company's appeal, cancelling the challenged order limited to the alternative claim of the Sicily Regional Government, deeming that the Regional Government could not object to any action for protection of possession pursuant to art. 823, paragraph 2, of the Italian Civil Code, since it constitutes a right of claim rather than a right in rem, and ordered the costs to be offset between the parties. The judgment was not appealed and has become final.

Following service upon the Parent Company on 21 September 2022 of the tax demand stating the amount claimed by the Department pursuant to ruling no. 3649/2021, by writ of summons of 21 November 2022, the Parent Company filed claims before the Court of Siena (RG 2737/2022) against ADER and the Department in other proceedings opposing enforcement of the tax demand as an executive order pursuant to art. 615 of the Code of Civil Procedure, also for the purpose of suspending enforceability. These proceedings ended with a ruling on 13 December 2023, which rejected the Parent Company's opposition and ordered it to pay the costs of EUR 91.6 thousand; By summons of 21 June 2024, said ruling was appealed before the Court of Appeal of Florence, which adjourned the case for decision to the hearing of 23 June 2026.

The other initiatives adopted by the Parent Company to respond to the credit claim of the Assessorato referred to in ruling no. 3649/2021 – specifically, the application before the Court of Auditors submitted on 21 November 2022 pursuant to art. 172 paragraph 1(d) of the Code of Accounting Justice to declare null and void the actions for the recovery of the amounts and the administrative petition of 16 November 2022 pursuant to Law no. 228/2012 to obtain suspension of the collection of the amount indicated in the tax demand – were unsuccessful and therefore, on 27 January 2023, in strict compliance with the tax demand, which in the detailed items of the credit of the tax authority included interest at the legal rate, payment of the total amount of EUR 74 mln was arranged, as full payment of the amount issued by the Sicily Region.

Finally, the initiatives required for judicial recovery of the aforementioned credit of approximately EUR 68.6 mln from ADER were launched, against which the Parent Company has title, as universal successor of Riscossione Sicilia S.p.A.

Vertenza Banca Monte dei Paschi di Siena S.p.A. vs. Nuova Idea

With a writ of summons served on 21 December 2021, Nuova Idea S.r.l. summoned the Parent Company before the Court of Caltanissetta in order to have it declare that it was obliged to compensate all the damages, financial and non-financial, suffered by the company as a consequence of the protest of a bill of around EUR 3,000 domiciled at the Caltanissetta branch, which according to the plaintiff's prospect would have been raised due to the Parent Company's exclusive acts and negligence.

The plaintiff argues that the illegitimate protest constituted the only causation of a chain of events described in the writ of summons which resulted in the sharp reduction of its equity investment in a Temporary Grouping of Companies (RTI) that had been awarded a service contract with ASL Napoli 1 Centro, consequently requesting, principally, that the Bank was ordered to pay in its favour the amount of EUR 57.3 mln by way of loss of earnings as well as an amount of EUR 2.8 mln by way of loss of profit, and thus a total of EUR 60.1 mln, in addition to compensation for damage to the corporate image and commercial reputation to be paid on an equitable basis.

With ruling No. 26 of the Court of Caltanissetta, published on 8 January 2025, the first instance of the case was finalised with the Bank being ordered to pay EUR 2.8 mln as compensation for the damage suffered by Nuova Idea S.r.l., with full compensation for legal costs. The Court held that there was a causal link between the non-payment of the bill by Banca MPS and the marginalisation of the company in the public tender obtained in RTI. On 17 February 2025, the Bank filed an appeal against judgment No. 26/2025 issued by the Caltanissetta Court, simultaneously submitting an application for the suspension of its enforceability and execution pursuant to Articles 283 and 351 of the Italian Code of Civil Procedure. By order issued on 22 May 2025, the Caltanissetta Court of Appeal granted the precautionary request, ordering the suspension of the enforceability of the appealed judgment.

The next hearing on the merits of the second-instance proceedings has been scheduled for 30 September 2027.

Banca Monte dei Paschi di Siena S.p.A. vs. Italtrading

In February 2020, the Italtrading receiver sued the former subsidiary MPS Leasing & Factoring, as civilly liable for the damage pursuant to art. 2049 of the Italian Civil Code caused through a former employee, consisting of the irregular recognition in the financial statements of lower payables to the banking system and at the same time of lower receivables from subsidiaries and some customers. This is in violation of the provisions of art. 2423 of the Italian Civil Code, resulting in a concealment of the loss of share capital and, therefore, an aggravation of the insolvency. The claim for damages was quantified at EUR 132.8 mln.

During the lawsuit, in which the former subsidiary appeared before the court, following the conclusions of the insolvency proceedings, the claim was reduced to EUR 63 mln with the request for a provisional payment of EUR 6 mln.

By ruling of 19 May 2023, the Court of Milan acquitted the former employee of the charges against him, with consequent release effect for the Proceedings, which had taken over by virtue of incorporation from MPS L&F. Appeal proceedings are pending before the Court of Appeal of Milan, filed last October by the Italtrading receiver. The first appeal hearing was held on 4 July 2024. The Public Prosecutor deferred the case to the Court, given the exclusively civil nature of the matter.

At the hearing on 3 November 2025, the Court of Appeal issued a judgment, ordering, with an even more favourable decision than the Court of first instance, the full acquittal of the defendant, a former executive holding office at the time of the facts, consequently excluding any liability on the part of the Bank involved in the criminal proceedings as civilly liable party. The Court reserved the right to file the grounds; to date, a copy of the decision with the grounds for the judgment has not yet been filed.

Dispute Banca Monte dei Paschi di Siena S.p.A./ Società Italiana per Condotte D'Acqua S.P.A. under extraordinary administration

By means of a writ of summons served on the Bank on 23 December 2022, Società Italiana per Condotte D'Acqua S.p.A. under extraordinary administrative proceedings brought an action for damages against the credit institutions in conjunction with the factoring companies (32 counterparties), the independent auditors, the members of the Managing Board and of the Supervisory Board of the company in bonis, for having contributed – through the use and granting of credit – to the commission of acts of misadministration that caused (or contributed to causing) serious damage to the company and to the entire creditors' class. The damage is quantified:

- jointly and severally among all defendants in the amount of EUR 389.3 mln;
- alternatively EUR 322.0 mln (increase in insolvency liabilities);
- or alternatively in the amount of EUR 39.5 mln with reference to individual transactions (referring to associates).

At the hearing of 22 April 2024, a number of parties filed action against third parties; In authorising the third-party claims invoked, the Judge adjourned the case for the first appearance hearing in February and subsequently to 1 July 2025, 18 November 2025 and finally to 29 September 2026 for the same purposes, pending proof of the completion of service of the renewed writ of summons on Banco Do Brasil S.A..

In the meantime, the proceedings were declared extinguished with respect to the parties that had reached settlement agreements with Condotte (including the audit firm) and to the defendants who were not served with the writ of reinstatement. At present, it is not possible to estimate the effects of this partial settlement on the remaining debt position of the other co-obligors, as such effects depend on any determination of the respective share of liability among the parties involved.

A meeting was held on 10 November 2025 between the lawyers of the Extraordinary Administration procedure and the defendant Banks in order to consider a possible settlement solution. In summary, the Extraordinary Administration (A.S.) procedure presented to the Banks the opportunity to consider a proposal to discontinue the proceedings (with withdrawal of the claims) in exchange for an all-inclusive payment by the banking sector of a total of EUR 64 mln (around 20% of the amount of EUR 322.0 mln requested in the alternative). Discussions will follow among the Banks to jointly assess this proposal and, if applicable, establish a criterion for the allocation of internal shares to determine any pro-rata amount to be paid.

Banca Monte dei Paschi di Siena S.p.A. vs. Privilege Yard S.p.A. (in bankruptcy) - Appeal

By ruling no. 14832/2022 of 4 October 2022, the Court of Rome ascertained the liability of various credit institutions, including the former subsidiary MPS Capital Services S.p.A. (now merged into the Parent Company), defendants jointly and severally for complicity pursuant to art. 2055 of the Italian Civil Code in the misadministration by the directors of Privilege Yard S.p.A. pursuant to art. 2393 of the Italian Civil Code and consequently ordered them to pay as

compensation for the damage caused to the assets of Privilege Yard S.p.A. an amount, quantifiable by way of application of the net equity criterion, equal to EUR 57.1 mln, in addition to legal costs and expenses.

In agreement with the other banks, which were originally part of the pool, the decision was to proceed with the spontaneous payment, although subject to repetition at the outcome of the appeal, by paying in the agreed amount of one fifth, for each bank, of the sentenced amount plus costs, fees and expenses.

All banks, including the former subsidiary, appealed independently. The first appearance hearing held in February 2024 was postponed for closing arguments to November 2025.

On 15 April 2025, a proposal for a bankruptcy agreement with an underwriter was presented, under analysis by the lawyers assisting the banks of the pool, subject to the definition of an agreement with the banks for the closure of the pending appeal proceedings.

On 10 July 2025 all the Banks signed the relevant no-objection letter to the composition proposal. By order of 3 October 2025, the Judge acknowledged that the proposal had been approved and proceeded to approve the underwriter's composition proposal (QAI), which is pending finality, as a third party has lodged an objection. Once the approval becomes final, the agreement already reached will be finalised for the retrocession in favour of the Banks of a portion of the original outlay. The next hearing for the objection to the approval has been scheduled for 15 January 2026.

Banca Monte dei Paschi di Siena S.p.A. vs. Barbero Metalli S.p.A.

The proceedings, with a total amount claimed equal to EUR 37.5 mln, were brought by B.M. 124 S.R.L. – assignee of the composition with creditors of Barbero Metalli S.p.A. in JV with BeCause – against the directors and statutory auditors of the company, as well as the various credit institutions jointly and severally, for having contributed to the insolvency of the company through the granting of credit in an improper manner.

The plaintiff asks for the directors, auditors and banks to be found jointly and severally liable for approximately EUR 37.5 mln as additional loss incurred by the company, and in the alternative liable for EUR 22.9 mln, as the value of individual detrimental transactions carried out by the company and expressly listed in the summons (the contribution indicated for the Parent Company would consist in having advanced EUR 8.8 mln to the company since 2009).

On 13 September, due to the failure of the settlement proposal put forward, the judge ordered the opening of the preliminary investigation of the case by means of technical advice. On 4 December 2024, the court-appointed expert was sworn in and the Bank appointed its own expert witness.

The first court-appointed expert report was filed on 22 September 2025. Following supplementary requests from the parties, the Judge scheduled the hearing of 18 March 2026 to discuss the supplementary court-appointed expert report, with the expert work still ongoing.

Banca Monte dei Paschi di Siena S.p.A. vs. Isoldi S.p.A.

In June 2020, a summons was served by the bankruptcy receiver of Isoldi Holding S.p.A. in liquidation against several credit institutions (including the Parent Company) on the assumption of joint and several liability of the banks with the board of directors of Isoldi Holding S.p.A. in liquidation for having contributed to the commission of acts disposing of the company's assets, to the artificial survival of the company despite its insolvency and to the worsening thereof, identified as:

- purchase of shares and the related option rights of the company Aedes S.p.a., carried out at prejudicial conditions compared to market prices with an increase in indebtedness, in a position of equity and financial instability of the bankrupt company;
- access to a reorganisation plan pursuant to art. 67, paragraph 3, letter d), of the Bankruptcy Law, signed on 9 May 2011 by 7 banks (the Parent Company for 19%) and Isoldi Holding through the establishment of two new companies for the transfer of business units bound to the satisfaction of debtors with collaterals (Newco Isoldi and I.R.O.) and the disbursement of new funding for a total of EUR 17.6 bn secured by mortgages in grade II and sureties of Isoldi Holding.

The first appearance hearing was held on 16 February 2023 and the Judge reserved judgment on the various evidentiary requests submitted by the parties. On 9 January 2024, the Judge withdrew his reservation, recognising, on a preliminary basis, the assignee's legitimacy to continue the proceedings initiated by the receivers and approving the court-appointed expert in relation to the two macro transactions referred to in the summons. The lawsuit, scheduled for January 2025,

was then postponed as negotiations were opened to settle out of court the pending litigation with the bankrupt Isoldi Holding (formerly Isoldi S.p.A.), now BeCause. On 13 February 2025, the Parent Company paid the agreed amount net of the CTU costs, which are currently being paid, as they were settled in the last quarter of 2025. By order dated 12 April 2025, the proceedings were declared partially extinguished limited to the procedural position of Banca MPS. The case is closed.

Vertenza Banca Monte dei Paschi di Siena S.p.A. vs. Parrini S.p.a.

The lawsuit, with a total amount claimed equal to EUR 42.2 mln, was brought against different credit institutions jointly and severally alleged to have contributed to the insolvency of the company through predatory lending.

Notably, in regard to the position of the former subsidiary MPS Capital Services S.p.A. (now merged into the Parent Company), the complaint concerns the connivance with the acts of maladministration of the directors, who made use of credit at a time when the state of crisis of the company was no longer remediable, not in view of a corporate restructuring, but for the sole purpose of continuing the business activity and management, without letting this state of crisis become public, thus delaying the declaration of insolvency, and causing damage to the company and its creditors by granting a mortgage loan on 4 August 2011.

Given the content of the claims, the share of the risk pertaining to the former subsidiary MPS Capital Services S.p.A., jointly and severally summoned with the other defendants to pay the entire amount requested in relief, has not been quantified.

On 3 February 2022, the Judge lifted the reserve by postponing the case to the hearing of 31 October 2022 to produce items of evidence. The receivers asked for the appointment of a court-appointed expert. At the hearing, the Receivers insisted on the request for an economic-financial and accounting court-appointed expert report and the request for the issuance of the order to produce evidence concerning the investigation carried out by the banks prior to the granting of the loans to Parrini.

The court-appointed expert was appointed last February; the Parent Company appointed its own expert witness. The next hearing is scheduled for 2 March 2026 to examine the expert report.

Banca Monte dei Paschi di Siena S.p.A. (incorporating MPS L&F S.p.A.) vs. POLYTECHNIC LABORATORY OF RESEARCH S.C. A R.L.

By writ of summons dated 23 November 2023, the bankruptcy receiver of POLYTECHNIC LABORATORY OF RESEARCH S.C. A R.L. brought proceedings against former MPS Leasing e Factoring S.p.A. before the Court of Appeal of Florence, seeking reversal of the judgment issued at first instance by the Court of Siena, whereby Monte dei Paschi di Siena Leasing & Factoring, Banca per i Servizi Finanziari alle Imprese S.p.A. was ordered to render an account in relation to the factoring relationship with the bankrupt company Polytechnic Laboratory of Research S.c.a.r.l. in liquidation, by filing the statement of account and the related supporting documents, indicating the activities carried out, the sums collected and details of any claim asserted by the bankruptcy estate in relation to the various assignments.

On appeal, by expanding the claim made at first instance, the bankruptcy receiver is seeking an order requiring the Bank to pay the entire pool of receivables under the aforesaid factoring agreement, amounting to approximately EUR 26.3 mln or, in the alternative, to repay EUR 9.4 mln, corresponding to the receivables the assignment of which had been expressly accepted by the assigned debtor, plus costs.

The Bank entered an appearance in May 2025.

By order of 5 November 2025, the Court fixed the hearing for closing arguments, which was held on 10 December 2025, following which the case was reserved for decision.

Banca Monte dei Paschi di Siena S.p.A. vs. Berloni Immobiliare Srl

By writ of summons served on 2 November 2018, Berloni Immobiliare Srl and Berloni Marcello sued before the Court of Pesaro (G.R. 2923/2018) the Parent Company together with 7 other banking and financial institutions, the assessor and the drafting company, in order to obtain the declaration of nullity and/or annulment of all the acts carried out in execution of the recovery plan and the financing agreement reached between the defendant Banks and the companies of the Berloni Group (financing, mortgage registrations, pledges, contribution of shares, etc.), as well as an order that the defendants be ordered jointly and severally to pay damages, both pecuniary and non-pecuniary, allegedly suffered. The total claim for damages is quantified at EUR 53.5 mln and the Parent Company has entered an appearance. In May 2019, Berloni Immobiliare srl filed a quitclaim. The lawsuit continued for a total amount claimed of approximately EUR 30 mln. In

November 2022, a court-appointed expert was ordered to verify the 'manifest unsuitability' of the recovery plan drawn up. The case was decided by order of 3 October 2024.

On 12 March 2025, the judgment was published rejecting all the plaintiff's claims in full and condemning the opposing party to pay the costs in favour of each defendant. The parent company's legal counsel notified the judgment on 13 March 2025 and is verifying that the judgment has become final, following notification of the same by all the other defendants. The judgment became final as of 9 May 2025.

Banca Monte dei Paschi di Siena S.p.A. vs. Extraordinary Administrators of Impresa S.p.A.

By means of a writ of summons served on 11 November 2016, Impresa S.p.A. in extraordinary administration sued the Parent Company, together with other banks participating in a pool (our share 36.48%), to ascertain and declare the liability of said companies, of the members of the Board of Directors of Impresa S.p.A., and of the independent auditors, and to order them to pay damages, jointly, allegedly suffered by the company in the amount of EUR 166.9 mln.

According to the allegations, the banks, in conspiracy with the statutory auditors, directors and auditors, by financing the acquisition of the infrastructure branch of B.T.P. S.p.A. by Impresa S.p.A. caused the latter's bankruptcy. The Parent Company appeared before the court.

At the hearing on 7 January 2023, the judge admitted a Court Appointed Expert (CTU), filed on 29 March 2024. On the basis of the report, the disputed transaction would have generated an imbalance in the company's sources of financing, causing the unsustainability of the debt and the consequent insolvency of Impresa S.p.A., quantifying the relative damage at EUR 86.1 mln and noting how the credit rating was not adequately assessed by the financing banks at the time of disbursement.

At the hearing on 22 April 2024, the Judge recorded the parties' exceptions and granted a time limit for written notes to 31 May 2024. After filing the authorised notes by the stated deadlines, the Judge's decision to lift the reservation is pending.

Banca Monte dei Paschi di Siena S.p.A./Unieco Società Cooperativa

With a deed notified on 11 February 2025, Unieco Società Cooperativa in Compulsory Administrative Liquidation (LCA), in the person of the Liquidator, cited the directors and former directors of the company, the auditors and the banks financing the debt restructuring agreement pursuant to art. 182 bis L.F. of 2013. The central point of the opposing action is based on the concrete feasibility of the restructuring plan presented by UNIECO, requesting: (a) to ascertain and declare the joint and several liability pursuant to Article 2055 of the Italian Civil Code of the defendants for having caused Unieco Società Cooperativa, now in compulsory liquidation, and its creditors damage currently quantifiable at EUR 55.5 mln, or such greater or lesser amount as may be determined at the end of the proceedings; (b) consequently, to order the defendants, jointly and severally, to pay Unieco Società Cooperativa, in LCA, the aforementioned sum, plus interest and monetary revaluation. Furthermore, the reimbursement of the fees and legal costs is requested, in addition to the reimbursement of general expenses in the amount of 15% of the fees, and additional costs.

The first hearing, scheduled for 21 July 2025 before the Companies Section of the Bologna Court, was postponed to 27 November 2025.

After filing the pleadings and replies pursuant to art. 171 of the Italian Code of Civil Procedure, at the hearing on 27 November 2025, the counterparty insisted on the request for a court-appointed expert report and on oral evidence already submitted in the documents; the Bank insisted in particular on the statute of limitations defence and requested that the case be referred to the Panel for decision; the Judge reserved judgment on the parties' applications.

With reference to the main legal proceedings involving Mediobanca, note the following:

Mediobanca S.p.A. vs. the bankruptcy of Officine Meccaniche Giovanni Cerutti S.p.A. and the bankruptcy of subsidiary Cerutti Packaging Equipment

The bankruptcy of Officine Meccaniche Giovanni Cerutti S.p.A. and the bankruptcy of subsidiary Cerutti Packaging Equipment (the "Companies") each brought, before the Court of Turin, a corporate liability action against various parties, including the Companies' former management, the control bodies, the auditors and certain banks (including Mediobanca), alleging that each of the defendants had contributed to the increase in the Companies' liabilities, which were declared bankrupt in 2020. With reference to the defendant banks, the Companies challenged, on various grounds,

the lawfulness of a plan pursuant to art. 67 of the Bankruptcy Law approved in 2017, under which the banks allegedly continued to provide financial support to the Companies, including by rescheduling existing financing, notwithstanding the claimant's allegation that the Companies' economic and financial position was already critical at that time. The overall financial claim brought by the Companies in the two proceedings, against all defendants jointly and severally, amounts to approximately EUR 67.4 mln. Mediobanca has entered an appearance in both proceedings. The first hearings are currently scheduled between the second and third quarters of 2026. At present, no provisions have been made, given that the risk of an unfavourable outcome is not currently considered probable.

Mediobanca Premier S.p.A. vs. another credit institution

Mediobanca Premier has been sued in proceedings brought by another intermediary before the Court of Milan, following the transfer of financial advisers to Mediobanca Premier. The financial claim brought by the counterparty amounts to EUR 35 mln. The next hearing is scheduled for the first quarter of 2026.

2. Employment law disputes

As at 31 December 2025, tax disputes were pending for which the total relief sought, where quantified, was equal to approximately EUR 21.8 mln. Specifically:

- Approximately EUR 16.2 mln as the amount claimed in disputes classified as carrying a "probable" risk of an unfavourable outcome, for which provisions of approximately EUR 13.6 mln have been recognised;
- Approx. EUR 5.6 mln as relief sought for disputes for which there is a "possible" risk of disbursing financial resources.

Information on the main dispute pending as at 31 December 2025 is provided below.

Banca Monte dei Paschi di Siena S.p.A. vs. Fruendo Dispute

The transfer of the "back office" business unit of Banca MPS to Fruendo, dating back to 1 January 2014 and involving no. 1064 employees, was declared unlawful in employment-law terms at all levels of proceedings, with consequent reinstatement in the Parent Company of 452 claimants (on 1 April 2020), who were simultaneously seconded to the company.

In relation to this, during 2019, numerous rulings issued by the Court of Cassation developed a changed case-law approach whereby, in the event of an unlawful transfer of a business unit, the transferor that does not reinstate the workers also bears a wage obligation – from the date of annulment of the transfer until reinstatement in service – in addition to what has been paid by the transferee, no longer considering applicable the discharging principle of payment made by the latter.

Based on this changed case-law approach (so-called "double remuneration"), litigation arose which, in its various phases, triggered settlement negotiations that have, to date, resulted in the finalisation of 356 settlements. As at the reporting date of these financial statements, proceedings are still pending with 12 workers, with hearings currently scheduled between January and March 2026.

With reference to the "unlawful outsourcing" line of cases, proceedings are currently pending before the Court of Cassation for 14 workers (after judgments in favour of the Parent Company at both first instance and appeal) and for 16 workers at first instance before the Siena Court, Labour Section, with the next hearing in March 2026.

3. Tax disputes

As at 31 December 2025, tax disputes were pending for which the total relief sought, where quantified, was equal to approximately EUR 158.7 mln. Specifically:

- approx. EUR 140.5 mln as a total amount claimed for disputes for which there is a "likely" risk of disbursing financial resources, for which provisions of approx. EUR 42.4 mln have been allocated;
- approx. EUR 18.2 mln as a total amount claimed for disputes for which there is a "possible" risk of disbursing financial resources.

Mediobanca tax disputes pending with the Tax Authorities

At the reporting date of these financial statements, there were three disputes relating to the alleged failure to apply the tax transparency regime provided for by the Controlled Foreign Company (CFC) rules to the income generated by CMB Monaco and CMG Monaco in the 2013, 2014 and 2015 tax years (for an overall claim, including the disputed taxes, penalties and interest, equal to EUR 123.8 mln); in relation to these disputes, the hearing before the Court of Cassation

is pending scheduling following the appeal by the Tax Authorities, after Mediobanca was successful at first and second instance.

Risk linked to representations and warranties given in the transfer and demerger of non-performing loans

In previous years, the Group launched an important destocking plan for non-performing loans with the aim of significantly reducing its NPE ratio. As part of these transfers of non-performing loan portfolios, indemnities are envisaged to be paid to the transferee counterparties if the representations and warranties (R&W) issued prove untrue.

In this regard, note the securitisation transaction carried out by the Group in December 2017 in favour of Siena NPL which resulted in the cancellation of bad loans for a gross exposure of over EUR 22 bn, whose R&W expired on 31 July 2021. At the reporting date of these financial statements, all claims received by the deadline were analysed, of which a limited percentage were assessed as well-founded and paid.

Also noteworthy are, (i) the “Hydra-M” demerger transaction in the 2020 financial year concerning EUR 7.2 bn of gross non-performing loans whose R&W matured on 1 December 2022 and for which all claims received were analysed and paid where deemed justified; (ii) the 2022 “Fantino” sale transaction concerning EUR 0.9 bn of non-performing loans whose representations and warranties expired between 28 October 2023 (Intrum S.p.A.) and 20 May 2024 (Amco S.p.A. and Illimity S.p.A.); all claims received were analysed and paid where deemed justified; (iii) the 2023 “Mugello” sale transaction concerning EUR 0.2 bn of non-performing loans, whose representations expired in the first quarter of 2025; to date, a small number of claims have been notified; all claims received were analysed and paid where deemed justified; (iv) the “Bricks” sale transaction for the 2024 financial year, finalised through the signing of three sale agreements with different assignees and concerning a total of EUR 0.3 bn of non-performing loans, whose representations and warranties will expire between December 2025 and the first quarter of 2026. To date, a modest number of claims for compensation have been notified; all claims received were analysed and paid where deemed justified; (v) the “Small Gem” sale transaction, finalised in the first half of 2025 through the signing of a sale agreement concerning a total of EUR 44 mln of non-performing loans, whose representations and warranties will expire on 23 September 2026; to date, no claims for indemnity have been notified; (vi) the “Domino 1” sale transaction, finalised in the second half of 2025 through the signing of three sale agreements with different transferees and concerning a total of EUR 243 mln of non-performing loans, whose representations and warranties will expire in the second half of 2026; to date, no claims for indemnity have been notified; (vii) the “Domino 2” sale transaction, finalised in the second half of 2025 through the signing of four sale agreements with three different transferees and concerning a total of EUR 116 mln of non-performing loans, whose representations and warranties will expire in the first half of 2027; to date, no claims have been notified.

The total petitum for these transactions as at 31 December 2025 is EUR 273.4 mln, of which EUR 58.9 mln is classified as a “probable” risk of losing and around EUR 214.5 mln as a “possible” risk of losing.

For some of the aforementioned transactions, a risk remains limited to that part of the claims already analysed and considered non-indemnifiable by the Group in addition, where present, to the residual component of claims to be analysed.

In general, the risk provisions for this type of transaction, if the claims are not fully analysed and/or the expiry date has not yet matured, are also determined through the use of statistical techniques to take into account the overall expected risk.

ESG Risks

In light of the growing importance of ESG risk factors in regulation, government policies, stakeholder awareness and also following specific initiatives promoted by the ECB, particularly on Climate related and Environmental Risks – C & E Risks, the Group is carrying out a series of activities relating to the integration of C&E risk factors into the risk management framework and into the Group's governance and strategic processes.

ESG risks are not considered separately, but rather as factors that interact with the traditional risk categories such as credit, market, operational, liquidity, strategic and reputational risks. The integration of ESG risks and, in particular, climate and environmental risks across the Group is structured as follows:

- a materiality assessment (so-called Materiality Assessment), aimed at identifying and assessing the relevance of climate and environmental risk factors with respect to the different portfolios and risk categories;
- monitoring of exposure to climate and environmental risks deemed material through specific Key Risk Indicators (KRI) defined in the Risk Appetite Statement (RAS);
- a stress test of material climate and environmental risks aimed at quantifying the impacts of adverse climate scenarios or business-as-usual scenarios for ICAAP purposes in the short, medium and long term;

For 2026, activities are planned to harmonise ESG risk management processes and the related metrics, which will allow more extensive analysis and the monitoring of indicators common to the entire Group scope, including Mediobanca.

Set out below, in greater detail, are the processes that continued in line with previous financial years for the MPS Group, excluding the Mediobanca component. At present, the data contained in this paragraph, in the charts and in the tables refer to the Group scope excluding Mediobanca and its subsidiaries.

The process of identifying, verifying the materiality and assessing the relevance of C&E risks in the short, medium and long term, as a prerequisite for defining the Group's Risk Appetite Statement, was carried out, in continuity with previous financial years, on climate and non-climate environmental risk factors.

The materiality analyses carried out on environmental risks within the Group's *risk management* framework are also included in the Double Materiality Analysis (DMA) according to the process described in the relevant paragraph "Double materiality analysis" contained in the chapter "Sustainability statement" included in the Consolidated Report on Operations.

As regards E-climate risk factors, climate environmental risks affecting credit risk and reputational risk were confirmed as material in the short, medium and long term. Specifically, the climatic risks affecting credit risk are confirmed to be "very high" on transition risk and "high" on physical risk, depending on the potential exposure associated with each risk factor as detailed in the following sections. E-climate risks affecting credit risk were also subject to stress testing aimed at quantifying the impacts of adverse scenarios for ICAAP purposes in terms of additional cost of credit.

As regards E – non climate risks, i.e., risks relating to "Water Resources", "Circular Economy", "Pollution" and "Biodiversity and Ecosystems", the identification and materiality verification process has been integrated for the RAS 2025 with the analysis of non-climate environmental risk factors, in the two perspectives of physical risk and transition risk based on the Group's primary financial risks (credit, operational, market and liquidity risk).

Non-climate environmental risk factors were not found to be material when considered individually, but are deemed overall relevant as aggravating elements of the impacts of climate risks on credit exposure, in the two components of physical and transition E-non-climate risk. In this form, the related risk indicators (KRI) were monitored throughout 2025 on the scope of non-financial credit counterparties and incorporated into the assessment of the impacts of the 2026 ICAAP assessment.

Based on the results of the materiality analyses for Environmental risk factors (climate and non-climate), six specific Key Risk Indicators (KRI) - defined in the RAS - were monitored during 2025, covering the components of physical and transition climate risk for "households" (residential mortgage scope), and physical and transition climate and non-climate risk for "companies" (scope of loans to non-financial companies); the related operating limits were defined and monitored during 2025 for the units most involved by the relevant operations/scope.

The assessment of the materiality of E-climate risk factors with respect to the other primary financial risks (market, liquidity and operational risk) was carried out through analyses designed to stress:

- for liquidity risk, liquidity buffers represented by the deposits of retail customers and non-financial companies, depending on the occurrence of physical risk events concentrated in very short periods of time and on geographical impact zones (whole province for flood risk, single municipality for landslide risk); deposit run-offs were assumed both under crash scenarios (withdrawal of 100% of deposits in the affected area) and on the basis of similar contingencies that actually occurred. Materiality is also assessed through: (i) introduction of cumulative deposit runoff scenarios, (ii) extension of potential risk factors to natural events related to wind and fire, (iii) execution of assessments based on short/medium and long-term scenarios/horizons and finally (iv) introduction of the assessment of a component of potential impact on liquidity determined by the pressures of climate variables on the economic activities of companies and therefore on the draft of margins available from the same counterparties;
- for market risk, the market value of non-financial corporate portfolios (bonds and equity) and risk exposure to non-financial and non-collateralised counterparties relating to positions in derivatives; the materiality check on market risk is carried out over a short-term period of time, taking into account that C&E risks tend to be non-material in the medium/long-term, as the securities and financial instruments portfolios can be liquidated in the medium/long-term and can be modified according to the evolution of risks (especially transition risks) to which the issuers and related counterparties are subject;
- for operational risks, business continuity depending on a number of scenario drivers, such as: (i) customer hardship (based on the deposit pools), (ii) employee hardship (based on the number of non-operational employees in the scenario), (iii) operational hardship (based on the number of branches closed), (iv) economic damage (based on the loss of profitability for the Group at risk in the scenario) and (v) physical damage (based on the loss of value of property owned); As with the other risks, the range of risk factors analysed and the horizons over which materiality is assessed were extended.

The analyses showed that E risk factors (climate and non-climate) are not material with respect to these core risks. The Group carries out such analyses periodically, on the basis of indicators and thresholds suitable to accommodate changes in the structure of the positions and activities concerned with consequent implementations in the risk management methodologies and processes and possible activation of related operating limits.

Lastly, we note that during 2025 the Group carried out an analysis aimed at formulating Social and Governance risk indicators and started the process of identifying and verifying materiality, which will be integrated into the 2026 RAS with the analysis of S&G risk factors in relation to the core financial risks (credit, operational, market and liquidity risk). The approach considers, on the one hand, the structure of the ESRS (European Sustainability Reporting Standards) for Social and Governance matters, with an incremental level of granularity (topic, sub-topic and sub-sub-topic), and, on the other hand, the findings of studies carried out by specialised working groups such as UNEP FI (United Nations Environment Programme Finance Initiative) and PSI (Principles for Sustainable Insurance). These Social & Governance risk indicators (RI) will be integrated into the 2026 RAS, and the related operating limits will be defined for the units most involved in the relevant operations/scope for the Group, including Mediobanca.

The following is a summary of the analysis activities performed by the Group, excluding the Mediobanca component, during the year, aimed at identifying the exposure of credit portfolios to environmental/climate factors, for risk factors found to be material and regularly monitored as KRI RAS during 2025.

Climate transition risk Non-financial companies

With regard to **climate transition risk** - understood as the financial loss that a company may incur, directly or indirectly, as a result of the adjustment process towards a low-carbon and more environmentally sustainable economy - with regard to corporate customers, the Group quantifies the exposure of counterparties (or of their individual credit exposures) to this risk by means of an internally calculated sector indicator, which expresses the transition risk of the financed entity and the respective production activity. A higher value of the indicator therefore corresponds to a smaller distance from the full environmental sustainability of the activity and its financing and, consequently, a lower transition risk for the counterparty or portfolio considered.

Among the aspects most affecting the transition/credit risk of production companies, particularly relevant are the objectives and related risks linked to climate change, deriving from the impact that human activities (production and otherwise) have on the phenomenon, mainly through GHG (Greenhouse Gases) emissions released into the atmosphere.

To better understand the specific scope of risk and strategic aspects related to climate change and its mitigation through the process of energy transition and reduction of GHG emissions, the Group has used a specific "emissions" transition risk indicator, defined as Transition Exposure Coefficient or TEC CCM (Climate Change Mitigation).

The indicator focuses on risk factors specifically related to the reduction of GHG emissions and thus to the energy transition; and is therefore representative of the share of an exposure exposed to transition risk. To calculate the TEC

CCM, the Group combines elements assessed at the level of a company's business sector with customer-specific elements collected through a questionnaire administered to business customers. Exposures are also classified into transition risk classes.¹²⁸

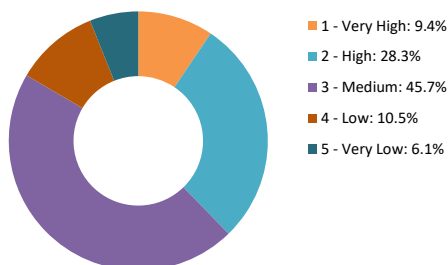
The KRI RAS is based on the TEC CCM, on which the respective operating limits are defined and adapted to the responsible units. The objectives in terms of containing the average portfolio TEC are suitable for guiding the plans to reduce "financed" GHG emissions incorporated in the Group's decarbonisation strategies and, more generally, the path towards making the Bank's assets sustainable from a CCM perspective.

As at 31 December 2025, the overall exposure to transition risk was 43%, as shown in the table and graph below, which show the distribution of loans in scope (EUR 39.5 bn) over the TEC CCM classes.

Climate Transition Risk Level (TEC)	Credit GCA	Trans. Risk Exp.	Avg TEC
0 - Null TEC	4,161	-	0.0%
1 - Very Low	2,145	203	9.5%
2 - Low	3,703	839	22.6%
3 - Medium	16,152	6,648	41.2%
4 - High	9,993	6,525	65.3%
5 - Very High	3,333	2,781	83.4%
Total Non Fin. CTP Loans & Adv.	39,488	16,997	43.0%

GMPS Loans & Advances to Non-Fin. Corporates

Transition Risk
Loans by TEC-CCM class: 31/12/2025
(given a not null TEC, about 35,3 €mld)



GHG emissions

With reference to receivables from non-financial companies, on a total reference scope of approximately EUR 39.5 bn¹²⁹, the following graphs show the breakdown of loans by different types of sectors.

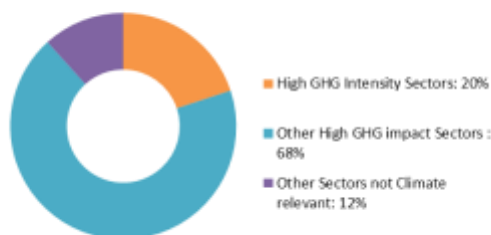
GHG-intensive sectors' are identified consistently with the top ten NACE/ATECO groupings with the highest GHG emissions¹³⁰. The "Other climate-relevant sectors" are those indicated as sectors which "highly contribute to climate change" in the EBA ITS 2022/01 for preparation of the Pillar 3 ESG Disclosure.

¹²⁸ The TEC CCM is divided into five qualitative ranges in order to classify the positions of a given scope into separate risk classes: Very High, High, Medium, Low and Very Low.

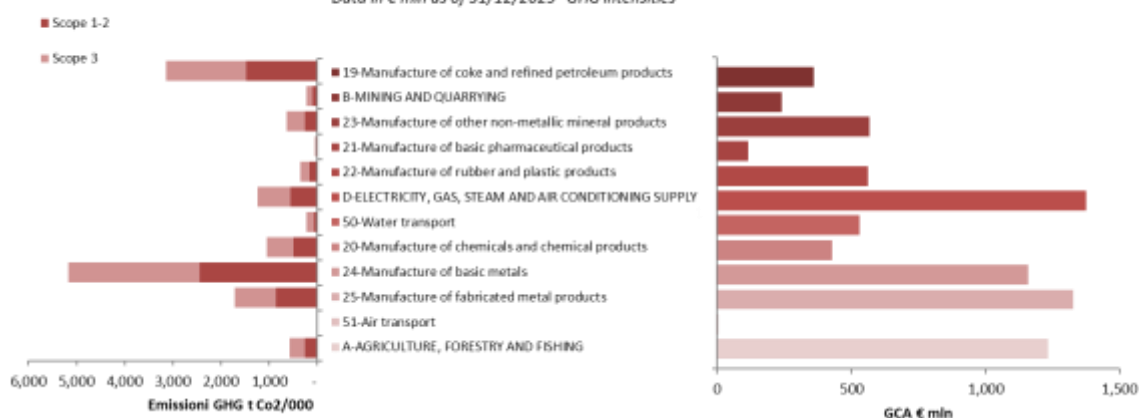
⁸² The EUR 39.5 bn figure is a management figure referring to the portion of lending granted, both funded and unfunded, to corporate customers for the MPS component; it does not include the Mediobanca scope.

¹³⁰ Emission intensity levels as a system median, according to the results of the 2022 ECB Climate Stress Test exercise.

GMPS Loans & Advances to Non-Fin. Corporates
Loans to High GHG intensity Sectors
As of 31/12/2025



Financed GHG emissions (left)
Credit Exposure vs. Economic Sectors (right)
with relevant GHG emissions Intensity
Data in € mln as of 31/12/2025 - GHG intensities



The following graph shows the detail of the grouping based on the reference NACE/ATECO, by GHG intensity decreasing from top to bottom, referring to the sectors with high GHG emission intensity equal to 19.9% (about EUR 7.9 bn) of the total area observed.

Loans granted within the scope contributed to “financed emissions”¹³¹ of approximately 21 million tonnes, of which 36.5% is attributable to sectors with high GHG emission intensity and 60.7% to other sectors with climate-altering activities. The two sectors coincide with loans to sectors that “highly contribute to climate change”, according to the EBA ITS for Pillar3 – ESG (equal to approximately 88.3% of total credit exposure) to which approximately 97.3% of the financed issues are thus attributable.

GHG EMISSIONS & CREDIT EXPOSURE vs. NON-FIN. CORPORATES

Co2 eq. /000 tons, € mln as of 31/12/2025

	FINANCED EMISSIONS			CREDIT EXPOSURE	
	Scope 1-2-3		of which Scope 3	€ mln	%of total
	Co2 eq. /000	%of total	Co2 eq. /000 tons		
High Intensity CST Sectors	7,672	36.5%	6,679	7,863	19.9%
highly contrib. Other	12,747	60.7%	11,891	27,010	68.4%
highly contrib. Total	20,420	97.3%	18,570	34,873	88.3%
Other “not relevant” Sectors	573	2.7%	532	4,615	11.7%
Total Non-Fin. Corporate	20,992		19,102	39,488	

Climate transition risk residential mortgages to private individuals

For **private customers**, the energy performance labels (APE in Italy, EPC in the European context) of mortgaged properties are the most significant indicator approximating the emission impact and more generally the attitude towards climate change mitigation for mortgage loans. In order to identify transition risk, the Group is currently placing this risk in direct

¹³¹“Funded GHG emissions” represent the part of GHG emissions produced by a counterparty (production company) corresponding to the Group’s financing share with respect to the company’s total assets.

relation to the characteristics of the properties offered as mortgage security, being therefore able to provide a first proxy of alignment to the transition, through characteristics of energy efficiency.

The level of energy performance of residential mortgage properties, and the related information on consumption and GHG emissions, will be compulsorily collected at underwriting for new mortgages from April 2023,

As at 31 December 2025, approximately 55.4% of the residual debt on residential mortgages secured by real estate was covered by the energy label (47.4% at the end of 2024).

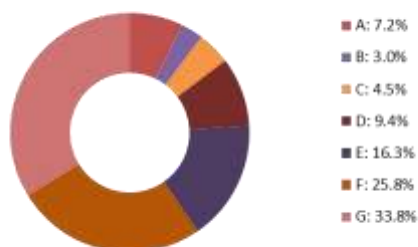
At the same date, the component of mortgages covered by the energy label was broken down by APE levels according to the table and graph below. The data refer to the Group scope excluding Mediobanca.

■ MPS Group

EUR/mln

EPC label level	outstanding	%
A	1,340.07	4.0%
B	567.09	1.7%
C	841.02	2.5%
D	1,747.93	5.2%
E	3,041.76	9.0%
F	4,816.53	14.3%
G	6,300.57	18.7%
Total mortgages covered by actual EPC	18,654.97	55.4%
Without/Unknown EPC	14,994.78	44.6%
Total residential mortgages	33,649.75	100.0%

GMPS Residential Mortgages
Actual EPC level distribution
Loans by actual EP level of collaterals: 31/12/2025



Climate physical risk non-financial companies

The “transmission channel” of the impacts of **physical climate risk** on **companies** consists of the damages that events of **acute physical risk** (landslides, floods, atmospheric precipitation, hurricanes, fire) may cause to the company’s production assets, possibly resulting in prolonged business interruptions that may compromise the company’s regular operation with consequences of loss of profitability or even closure and bankruptcy.

There is also another way of transmitting physical/climatic events to the prospective profitability and solvency of a production company, transitioning from the gradual but inexorable change in the conditions in which the production unit operates, which may compromise the context or the business model. In this case, we refer to a **chronic physical risk**, linked, for example, to increased temperatures or the frequency of precipitation, conditions that could compromise the production process especially in those sectors of activity that are more dependent or exposed to such conditions (e.g. agriculture or activities carried out outdoors, such as construction, etc.).

As at 31 December 2025, 21.2% of deposits and unsecured loans to non-financial companies, equal to approximately EUR 39.5 bn, were exposed to “high” or “very high” physical risk (acute or chronic).

The following graphs show the distribution on loans to non-financial companies of the levels of physical risk in general and then of the main acute physical risk factors (landslide and flood) and finally the seismic risk¹³² (earthquake).



¹³² Seismic risk is not considered as climate-related risk, but is nevertheless monitored alongside physical climate risk, as a further potential natural risk factor.

Climate physical risk residential mortgages to private individuals

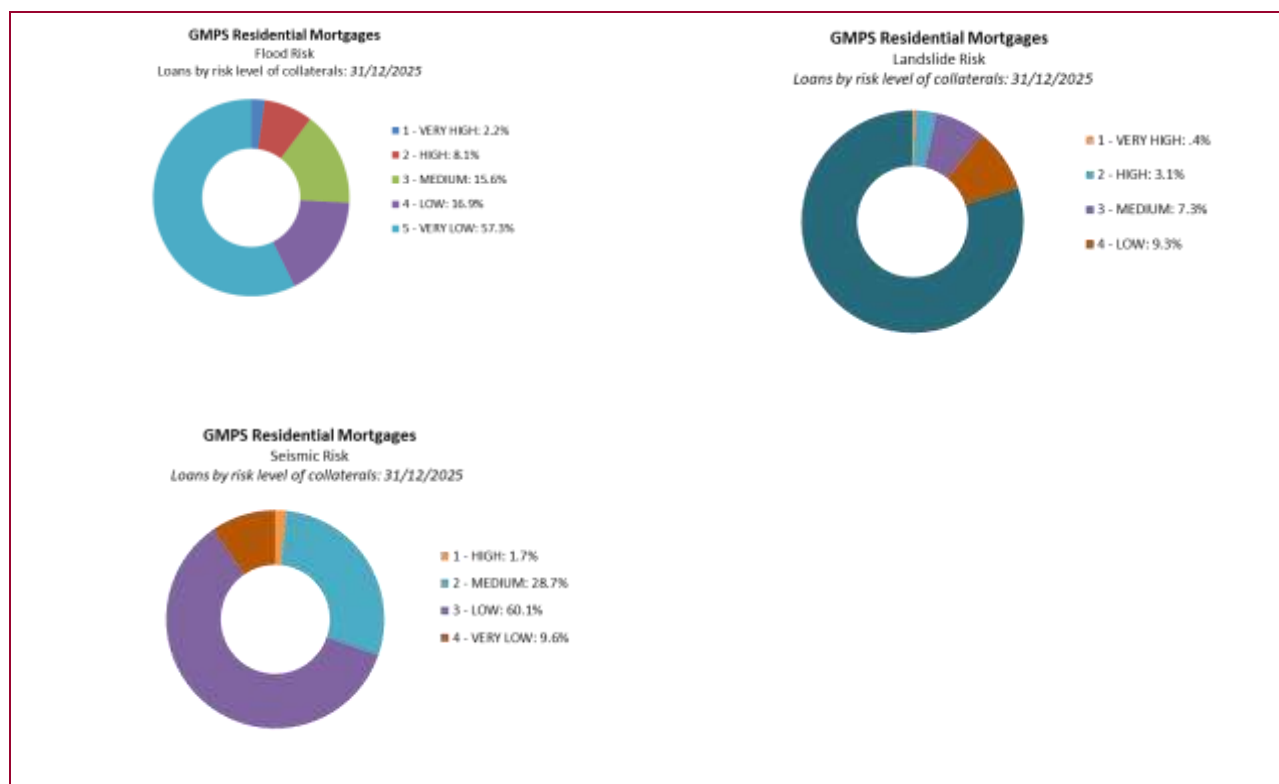
With regard to physical risk, the Group monitors the exposure of credit portfolios to physical risk factors. In particular, the focus was on the risk of private customers, with an analysis aimed at the properties guaranteeing residential mortgages, based on the location of the properties themselves. The perimeter exposure of loans was mapped by geolocalising the real estate, and thus attaching the appropriate zone of the applicable risk factor mapping (based on point location by census cell for properties already in the systems, based on ISPRA maps for properties related to new loan transactions) for hydro-geological risks or specific grid for other risks.

The analysed risk factors that can cause acute physical damage to a property are Landslide, Flood, Wind Fire (widely considered as climate-related) in addition to the seismic risk that is monitored although not related to climate change.

The data used to determine the short-, medium- and long-term risk maps and the corresponding RAS Key Risk Indicator (KRI) monitored quarterly during the year were retrieved from specialised data-providers and from ISPRA (Institute for Environmental Protection and Research) public databases.

As at 31 December 2025, 17 (17.6% at year-end 2024) of the total outstanding residential mortgage loans of EUR 33.65 bn¹³³ had collateralised properties located in geographic areas (municipalities) at 'high' or 'very high' risk for at least one of the risks 'landslide' and 'flood', 'wind', 'fire'.

The graphs below show the breakdown of residential mortgage loans at the level of riskiness of the location of their collateral properties, as regards the monitored risk factors.



¹³³ Mortgage scope excluding Mediobanca.

Non-climate transition risk Non-financial companies

Similarly to climate risks, the transmission mechanisms of physical and transition risk were also extended to risks related to environmental ecosystems (non-climate environmental risks). In particular, the transition risk channel considers the effects on a counterparty's solvency/financial soundness resulting from unexpected changes in regulation or market preferences concerning the limitation of the impacts of the economic activity carried out by the company on ecosystems.

In analogy with what was done for Climate risks, the MPS Group has estimated for each economic sector a TEC indicator or coefficient of exposure to non-climate transition risk, starting from the four non-climate environmental taxonomic themes: Protection and use of water and marine resources, Circular economy, Pollution and Ecosystems and Biodiversity.

As at 31 December 2025, the overall measure at Group level of exposure to non-climate environmental transition risk (measure included as KRI in the RAS 2025), is equal to 15% as can be seen from the following table, which reports for the investments in the scope (EUR 39.5 bn), in addition to the value of the overall KRI, the detail of the KRI on the monitored risk factors.

■ Montepaschi Group	
Eur/mln	
Exposure to E-nonC risks	
Total perimeter	39,488.1
KRI Transition risks	15.0%
Water Resources	12.2%
Circular economy	21.8%
Pollution	17.6%
Biodiversity	11.5%

Non-climate physical risk non-financial companies

Non-climate environmental physical risk for companies derives from a high degree of dependence of the economic activity carried out on “ecosystem services” in the specific geographical area where that activity is located: an event that damages or degrades the source of such services (e.g., biodiversity or the availability of water or marine resources) may cause significant damage to the company's economic activity and consequently to its financial and credit soundness.

Exposure to non-climate physical risk considers the two taxonomy topics on which an activity may depend and which are subject to degradation risk, namely “Water and marine resources” and “Ecosystems and Biodiversity”.

As at 31 December 2025, 42.8% of cash and endorsement loans to non-financial companies, a portfolio that amounts to approximately EUR 39.5 bn, is exposed to “high” or “very high” non-climate environmental risk, as can be seen from the following table which reports for the loans in the scope (EUR 39.5 bn), in addition to the value of the overall KRI, the detail of the KRI on the monitored risk factors.

■ Montepaschi Group	
Eur/mln	
Exposure to E-nonC risks	
Total perimeter	39,488.1
KRI physical and ecosystemic risks	42.8%
Water Resources	52.2%
Other Ecosystems and biodiversity	24.0%

A further risk connected with ESG aspects, considered material for the MPS Group, again excluding Mediobanca, is reputational risk. The related reputational risk indicator, subject to RAS monitoring, includes a component that takes into account the impacts on reputation linked to ESG factors.

This component takes into account the external perception of the attention to ESG issues, as resulting from sustainability ratings expressed by independent agencies, the volume of exposure to sectors exposed to transition risk and linked to controversial activities and the weight, in customer portfolios, of investments in financial instruments considered non-sustainable, the ESG ratings of the main Suppliers and Business Partners, as well as the rating obtained on the Gender Equality Certification.

Financial risks of investment services

Foreword

The following section on financial risks of investment services was written as part of the “Operational Risk” section in line with the compulsory framework for preparation of the Notes to the Financial Statements, even though this subject presents specific characteristics and involves organisational levels of authority that are not directly traceable to operational risk management.

Wealth risk management process and methods

The Group pays particular attention to the governance of risks regarding investment services that are a direct and indirect result of the risks incurred by customers in relation to the performance of investment services.

Governance of these risks is aimed at protecting customers and at preventing any potential negative impacts on the Group in terms of operational and reputational risk.

Organisational responsibility at Parent Company and Banca Widiba for supervising financial risk measurement, monitoring and control activities and for mapping investment products/services for the purposes of MiFID adequacy is an integral part of the Group’s integrated risk management responsibilities, and is assigned centrally to the Wealth Risk Management function. This is to ensure centralised governance of the direct and indirect risks which the Group incurs during the course of its operations.

“Wealth risk management” focuses on the overall set of operational and management processes as well as measurement and monitoring tools/methods used to ensure overall consistency between customers’ risk profiles and the risk of investment products and portfolios offered to - or in any case held by - customers.

The investment products (of the Parent Company, Banca Widiba, and third parties), whether or not included in the overall offering to the customers, are mapped for risk on the basis of quantitative measurements of market and credit risk factors and makes assessments of the liquidity, complexity, and sustainability characteristics of these products. Product mapping is one of the guiding criteria for carrying out investment adequacy checks as part of the consulting service offered.

For the sake of simplicity, investment product risk mapping, performed with reference to individual risk macro-factors, is grouped under specific risk categories.

A special focus is given by the Parent Company and Banca Widiba to the monitoring and prevention of potential financial and reputational risks which investment services, particularly in contexts of financial crisis, may generate as a consequence of increased market volatility. The fast-moving and not always predictable market trends may result in rapid changes in product risks and generate potential financial losses, as well as prompting a changing attitude by customers towards their own financial investments.

Customers have regularly been informed of changes in the risk of financial instruments held, so as to ensure timely disclosure transparency and facilitate possible decisions aimed at rebalancing the risk profile of their investments.

As at 31 December 2025, the integration process of the Montepaschi Group following the acquisition of and control over Mediobanca S.p.A. and its subsidiaries was still ongoing. For this reason, for companies within the scope of the Mediobanca Group, the governance of risks relating to investment services is still carried out according to the governance and organisational arrangements, responsibility profiles and methodological criteria in place at the acquired company.

Consultancy services offered

The strategic choice of the Parent Company is to systematically combine the placement of financial products with advisory so as to ensure the highest level of protection for the investor and, at the same time, enhance the role played by relationship manager. Again, with a view to protecting customers, the obligation to verify appropriateness has also been extended to the trading activities on the secondary market of the bonds and the certificates issued by the Group.

The advisory service is offered by the Parent Company on the basis of two different methods:

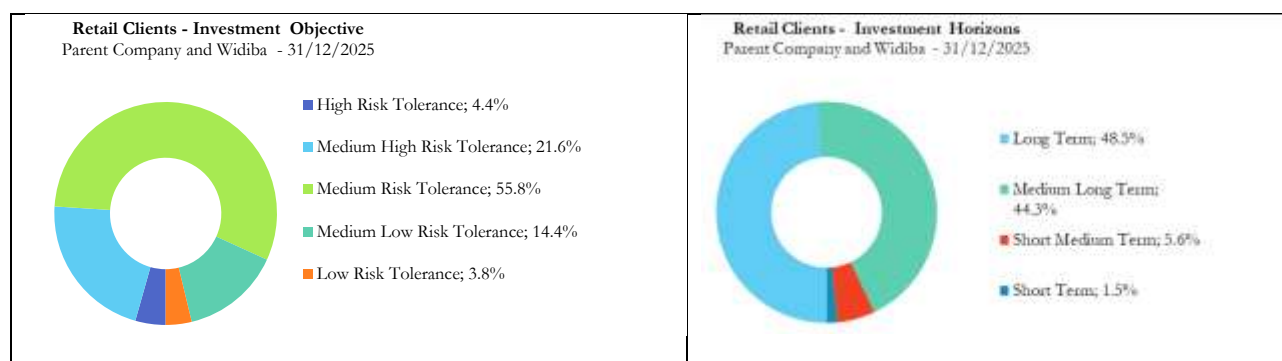
- a “basic” advisory, aimed at verifying the suitability of a single specific investment recommendation, or several investment transactions or several disinvestment transactions in relation to the risk of the customer’s investment portfolio as a whole. In this regard, the adequacy model adopts a multivariate control approach to the individual risk factors, taking the risk of the customer’s portfolio, including the recommended investment product(s), as a reference;
- an “Advanced” advisory, aimed at verifying the suitability of the overall set of advised transactions based on a range of investment/disinvestment transactions targeted at the construction of one or more portfolios of advanced advisory, consistent with the respective investment objectives, in reference with an optimal asset allocation that aims at obtaining maximised future returns, based on the investment portfolio risk given the customer’s risk profile. In this regard, the adequacy model adopts a multivariate control approach to the individual risk factors, taking the risk of the customer’s portfolio, including the recommended investment product(s), as a reference.

Wealth risk management activities cover the entire distribution perimeter of the Parent Company branch network and the investment services operations of Banca Widiba.

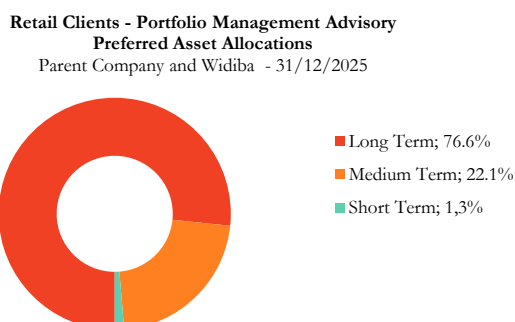
The Parent Company and Banca Widiba adopt customer profiling methods and rules to determine the indicators underlying the customer’s risk profile, using the MiFID questionnaire in line with MiFID II (Directive 2014/65/EU) which, together with the MiFIR o Markets in Financial Instruments Regulation (Regulation (EU) 600/2014), regulate the financial products market.

Within the framework of the regulatory guidance contained in EU Delegated Regulation 2021/1253, which provides for amendments to Delegated Regulation (EU) 2017/565 supplementing MiFID II, intermediaries carry out an assessment of their customers’ sustainability preferences. The customer profiling questionnaire captures the degree of customer preference with respect to environmental, social and governance (ESG) sustainability preferences.

The graphs below show the distribution as at 31 December 2025 of the Investment Objective and Time Horizon indicators issued by Retail customers of the Parent Company and Widiba who have fully completed the MiFID questionnaire and who hold positions in investment products.



At the end of 2025, the portfolios held by Consumer/Retail customers on the basis of formalised “advanced” advisory proposals to obtain optimum asset allocation were mainly distributed into the recommended, especially long-term, asset allocation macro-classes.



Section 3 - Insurance companies risks

The Group consolidates its subsidiary Compass RE, which operates in the reinsurance sector in Luxembourg, using the full consolidation method.

Furthermore, holds equity interests in the insurance companies Assicurazioni Generali, AXA MPS Assicurazioni Danni S.p.A. and AXA MPS Assicurazioni Vita S.p.A.

Pursuant to prudential supervisory provisions, these equity interests are accounted for using the equity method; the Group deducts from Own Funds the amount of such equity interests exceeding certain regulatory thresholds and holds a capital requirement against the amount not deducted.

Section 4 - Other companies risks

There are no significant additional risks for the remaining companies included in the scope of consolidation that are not part of the Banking Group or insurance companies.

The companies excluded from the scope of prudential consolidation, as they carry out ancillary activities or activities that are not relevant for prudential banking requirements due to their immateriality¹³⁴, are 'MPS Tenimenti Poggio Bonelli e Chigi Saracini Società Agricola S.p.A.', Compass Rent, MBContact Solutions and the minor subsidiaries CMG Monaco SAM, Quarzo Srl, MBUSA, MB Immobiliere, Spafid Trust, Compass Link, Arma Deutschland GmbH and SPV Project 2224 S.r.l..

With regard to real estate companies, the balance sheet value at which land and buildings are recorded is consistent with the values derived from specific appraisals and valuations.

Pursuant to prudential supervisory provisions, these equity interests are accounted for using the equity method; the Group deducts from Own Funds the amount of such equity interests exceeding certain regulatory thresholds and holds a capital requirement against the amount not deducted.

¹³⁴ Article 19 of the CRR stipulates that subsidiaries whose total assets and off-balance sheet items are less than the lower of the following two amounts shall not be included in the prudential consolidation: a) EUR 10 mln; b) 1% of the total assets and off-balance sheet items of the parent undertaking or the undertaking holding the participation.

Part F – Information on consolidated shareholders' equity

Section 1 - Consolidated shareholders' equity

A. Qualitative Information

The Group pursues strategic objectives focused on quantitative and qualitative strengthening of capital, structural rebalancing of liquidity and achievement of sustainable profitability levels, compatible with the undertaken risks; through the close interaction between the processes of Multi-year Planning and Budget, Governance of the Risk Appetite Framework (RAF) and Capital Adequacy Assessment (ICAAP), a risk appetite is defined aimed at guaranteeing operational stability and at the same time quantifying resources useful for financing growth strategies.

In this perspective, capital management, planning and allocation activities play a crucial role in ensuring compliance over time with the minimum capitalisation requirements set by the regulations and the supervisory authorities, as well as with the risk appetite level approved by the Group's strategic supervision body.

For these purposes, as part of the RAF, the target capitalisation levels are estimated annually, verifying, on the basis of the ICAAP process, that the capital adequacy is sufficient to guarantee compliance with the minimum requirements approved by the Board of Directors. Capital adequacy is also assessed prospectively and over a period of several years, under both normal and stress conditions, taking into account both the regulatory perspective, focused on compliance with operational capital requirements aimed at guarding against risks not covered by regulatory requirements, as well as further prudential assessments decided by the strategic supervision body.

The objective of capital adequacy is primarily pursued through the generation of positive income, as well as through the optimisation of risk-weighted assets; Compliance with capital requirements is also ensured through specific actions to support total own funds, such as the issuance of subordinated bonds.

Capital management is understood as a dynamic activity aimed at constantly seeking to optimise the capital components (ordinary shares and other capital instruments) in order to achieve objectives and implement identified strategies; With this in mind, the Parent Company exercises coordination and guidance activities over the Banks and Companies belonging to the Group, monitoring the management of assets and issuing the appropriate guidelines.

The Group uses methodologies for the correct measurement of profitability, based on risk, by adopting these indicators also within the RAF framework, with related monitoring and management of the total expected risk/return profile.

In this context, the RAPM (Risk Adjusted Performance Measure) metrics are also used to make the appropriate assessments and provide the necessary indications, to the functions of the Parent Company and to the business units, for a timely recognition of the actual absorption of capital resources and for the direction of future distribution choices, capital is allocated at the beginning of the financial year to business units based on expected growth, returns and estimated risk levels, and is constantly monitored throughout the year to verify that objectives are being met and minimum requirements defined internally are being respected.

The definitions of equity applied are those used in Supervisory Regulations: *Common Equity Tier 1, Tier 1 and Own Funds*. Furthermore, additional definitions of capital are used in the context of RAPM metrics, such as:

- Invested Capital, which consists of the amount of Shareholders' equity required to achieve Tier 1 Capital values, whether established ex ante as target levels or achieved ex post on a final balance sheet basis;
- - Allocated capital corresponds to the total internal capital requirement defined in the ICAAP;
- - Absorbed capital corresponds to the capital actually at risk and is determined in proportion to the risk-weighted assets (RWA) observed in the final balance sheet.

On 1 December 2025, the Bank received the final decision of the European Central Bank concerning the capital requirements to be met on a consolidated basis from that date, according to which the Group must comply, on a consolidated basis, with an overall SREP capital requirement (Total SREP Capital Requirement – TSCR) of 10.20%, which includes:

- a minimum own funds requirement - Pillar 1 ("P1R") of 8% (of which 4.50% in terms of CET1); and
- an additional Pillar 2 ("P2R") requirement of 2.20%, an improvement of 30 bps over the levels required from January 2025 (2.50%), to be held at least 56.25% in the form of primary tier 1 capital - CET1 - and 75% in the form of tier 1 capital.

Moreover, with regard to Pillar II Capital Guidance (P2G), the Group has to maintain, on a consolidated basis, a requirement of 1%, down by 15 bps from the previous level, to be fully met with Common Equity Tier 1, in addition to the overall capital requirement.

The overall minimum requirement in terms of Total Capital ratio, obtained by adding a Combined Buffer Requirement (CBR) of 3.27% to the TSCR¹³⁵, is 13.47%.

The overall minimum requirement for the CET 1 ratio is 9.01%, the sum of P1R (4.50%), P2R (1.24%¹³⁶) and CBR (3.27%); the overall minimum Tier 1 requirement is 10.92%, including P1R of 6%, P2R of 1.65%¹³⁷ and CBR of 3.27%.

Finally, it should be noted that the Bank of Italy has identified the MPS Group as an Other Systemically Important Institution (O-SII) authorised for 2026 in Italy; so the group will be required to maintain, starting from 1 April 2026, an O-SII buffer equal to 0.50% of its total risk-weighted exposures.

For the determination of the above capital requirements, the Group applies the prudential provisions contained in Regulation (EU) No. 575/2013 (CRR), as subsequently amended and supplemented, and in Bank of Italy Circular No. 285 of 2013. In this regard, it should be noted that, starting from 1 January 2025, the Group applies the transitional provisions relating to the calculation of both own funds and RWAs, introduced by Regulation (EU) 2024/1623.

With reference to the regulatory provision contemplated in Article 3 of CRR ("Application of stricter requirements by institutions"), as from September 2021, the MPS Group, on a voluntary basis, will make an additional deduction from CET1 in order to incorporate the minimum coverage expectations for non-performing loans as defined in the SREP Decision and the Addendum to the ECB Guidelines (so-called calendar provisioning).

¹³⁵ The Combined Buffer Requirements (CBR) includes the Capital Conservation Buffer (2.50%), the Countercyclical Capital Buffer (0.094%) and the Systemic Risk Buffer - SyRB (0.675%). The latter represents the capital buffer that the bank must hold against systemic risk equal to 1% of its credit and counterparty risk-weighted exposures to Italian residents as of 31 December 2025.

¹³⁶ Calculated considering 56.25% coverage of P2R from CET 1.

B. Quantitative Information

B.1 Consolidated shareholders' equity: breakdown by business areas

31 12 2025

Net equity items	Prudential Consolidation	Insurance companies	Other companies	Consolidation cancellations and adjustments	Total	of which Group	of which minority interests
Shareholders' equity	18,036,267	536,433	136,452	(672,886)	18,036,267	17,978,188	58,079
Share premium	3,374,965	345,242	-	(345,242)	3,374,965	3,146,576	228,389
Reserves	6,026,155	4,393,855	44,908	(4,438,763)	6,026,155	4,063,678	1,962,477
Equity instruments	-	-	-	-	-	-	-
Treasury shares (-)	(1,757)	-	-	-	(1,757)	(1,757)	-
Valuation reserves	62,718	7,590	3,936	(11,526)	62,718	58,812	3,906
- Equity instruments measured at fair value through other comprehensive income	(22,779)	-	-	-	(22,779)	(21,663)	(1,116)
- Financial assets (other than equity instruments) measured at fair value through other comprehensive income	(687)	-	-	-	(687)	(3,068)	2,381
- Tangible assets	107,644	-	3,950	(3,950)	107,644	107,317	327
- Cash flow hedges	8,103	-	-	-	8,103	7,624	479
- Exchange difference	1,957	-	-	-	1,957	1,911	46
- Non-current assets and group of assets held for sale	3,990	-	-	-	3,990	3,990	-
- Financial liabilities measured at fair value through profit and loss (changes in own credit worthiness)	(3,628)	-	-	-	(3,628)	(2,836)	(792)
- Actuarial gains (losses) on defined benefit plans	(45,089)	-	(14)	14	(45,089)	(45,192)	103
- Share of valuation reserves of equity investments valued at equity	7,590	7,590	-	(7,590)	7,590	6,151	1,439
- Special revaluation laws	5,617	-	-	-	5,617	4,578	1,039
Profit (loss) for the year - Group and minority interests	2,711,329	235,081	(3,420)	(231,661)	2,711,329	2,715,706	(4,377)
Net equity	30,209,677	5,518,202	181,876	(5,700,078)	30,209,677	27,961,203	2,248,474

B.2 Valuation reserves for financial assets measured at fair value through other comprehensive income: breakdown

Asset/Amount	Prudential Consolidation		Insurance companies		Other companies		Consolidation cancellations and adjustments		TOTAL	
	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve
1. Debt securities	35,181	(28,564)	16,411	(9,107)	-	-	(16,411)	9,107	35,181	(28,564)
2. Equity instruments	6,406	(29,330)	-	(145)	-	-	-	145	6,406	(29,330)
4. Loans	-	-	-	-	-	-	-	-	-	-
Total 31 12 2025	41,587	(57,894)	16,411	(9,252)	-	-	(16,411)	9,252	41,587	(57,894)
Total 31 12 2024	20,428	(64,891)	1,009	(1,452)	-	-	(1,009)	1,452	20,428	(64,891)

B.3 Valuation reserves for financial assets measured at fair value through other comprehensive income: annual changes

31 12 2025

	Debt securities	Equity instruments	Loans
1. Opening balance	(30,295)	(14,167)	-
2. Increases	61,639	1,763	-
2.1 Increases in fair value	45,569	1,744	-
2.2 Net losses (recoveries) on impairment	1,095	X	-
2.3 Reversal to profit and loss of negative reserves	14,975	X	-
2.4 Transfers to other components of equity (equity instruments)	-	19	-
2.5 Other increases	-	-	-
3. Decreases	24,727	10,520	-
3.1 Decreases in fair value	12,324	8,811	-
3.2 Impairment provisions	-	-	-
3.3 Reversal to profit and loss of positive reserves: following disposal	12,403	X	-
3.4 Transfers to other components of equity	-	503	-
3.5 Other decreases	-	1,206	-
4. Closing balance	6,617	(22,924)	-

B.4 Valuation reserves for defined benefit plans: annual changes

	Internal funds	External funds	Provisions for employees severance pay	31 12 2025
Opening balance	(181)	(30,075)	(16,688)	(46,944)
Remeasurement of net defined benefit liability (asset):	(69)	58	1,856	1,845
Return on plan assets excluding interests	-	(8,723)	-	(8,723)
Actuarial gains (losses) arising from changes in demographic assumptions	(97)	(3,327)	(6)	(3,430)
Actuarially gains (losses) arising from experience adjustments	21	1,519	590	2,130
Actuarial gains (losses) arising from changes in financial assumptions	7	1,026	1,272	2,305
Changes in effect of limiting net defined benefit asset to asset ceiling	-	9,563	-	9,563
Gains (losses) on settlements	-	-	-	-
Others	5	(58)	(3,719)	(3,772)
Closing balance	(245)	(30,075)	(18,551)	(48,871)

Section 2 – Regulatory banking capital and ratios

See the information on own funds and capital adequacy contained in the public disclosure (Pillar 3).

Part G – Business combinations

Section 1 – Business combinations during the financial period

1.1 Business combinations

In accordance with Bank of Italy Circular No. 262, the following table presents the income statement figures relating to: i) the acquired entity as from the acquisition date and ii) the Group assuming that the transaction was carried out at the beginning of the current financial year:

EUR mln

Name	Transaction date (a)	Cost of the transaction (b)	% interests (c)	Total revenue recognised as from the acquisition date (d)	Gain/loss recognised as from the date of acquisition (e)	Total revenues combined entity (f)	Profit (loss) for the year of the combined entity (g)
1. Mediobanca Group	15-Sept-25	17,817	87	679	(34)	7,635	3,807

(a) Acquisition date of control.

(b) Percentage interest acquired with voting rights at the ordinary shareholders' meeting, calculated net of treasury shares held by Mediobanca at the acquisition date.

(c) For the related details, please refer to the discussion below.

(d) Total revenues of the acquiree from the acquisition date (30/09/2025 – 31/12/2025).

(e) Profit/(Loss) recorded by the acquiree from the acquisition date (30/09/2025 – 31/12/2025).

(f) Total revenues of the Group assuming that the acquisition transaction of Mediobanca Group was carried out starting from 1 January 2025.

(g) Profit/(Loss) of the Group assuming that the acquisition transaction of Mediobanca Group was carried out starting from 1 January 2025.

1.2. Other information

1.2.1 Acquisition of the Mediobanca Group

On 23 January 2025, the Board of Directors of Banca Monte dei Paschi di Siena S.p.A. (hereinafter “MPS”) approved the launch of a voluntary public exchange offer for all outstanding shares (hereinafter the “OPS” or the “Offer”), concerning all the ordinary shares of Mediobanca S.p.A. (hereinafter “Mediobanca”), equal to no. 813,279,689 ordinary shares.

On the same date, the Board of Directors of MPS resolved to submit to the Extraordinary Shareholders' Meeting the proposal to delegate to the MPS administrative body, pursuant to art. 2443 of the Italian Civil Code, the increase in share capital, on one or more occasions and on a divisible basis, to service the Offer, to be paid up by contribution in kind of the Mediobanca shares tendered to the Offer, with exclusion of pre-emption rights pursuant to art. 2441, paragraph 4, of the Italian Civil Code, through the issue of up to 1,916,543,285 ordinary MPS shares with regular dividend entitlement and having the same characteristics as those outstanding on the issue date. For detailed information, reference should be made to the Offer Document, the Prospectus and all the documentation made available pursuant to law, as well as to the individual communications issued from time to time regarding the development of the Offer and its outcome.

It should be noted that, at the Offer date, the MPS Group held 31,996 shares in the Issuer, representing 0.004% of the Issuer's share capital. The transaction was subject to prior authorisation by:

- the European Central Bank (ECB) and the Bank of Italy for: (i) the direct acquisition of a controlling interest in Mediobanca S.p.A. and in its controlled and associated interests, (ii) the prior verification that the amendments to the MPS Articles of Association resulting from the capital increase to service the Offer were not inconsistent with the sound and prudent management of the issuer, and (iii) the eligibility of the new shares issued as part of the capital increase to be included in MPS Own Funds as Common Equity Tier 1 (CET1). The authorisations requested within 20 days of publication of the Offer Document were obtained during June 2025.
- CONSOB, in accordance with the provisions of the Regulation containing rules on transactions with related parties (CONSOB Resolution No. 17221 of 12 March 2010, as subsequently amended) and the Issuers' Regulation (CONSOB Resolution No. 11971 of 14 May 1999, as subsequently amended), obtained during July 2025.
- other Competent Authorities whose authorisations were required in relation to the Offer, including those required from the competent foreign authorities, where applicable.

The public exchange offer proposed on 23 January 2025 initially provided for a consideration entirely in shares, equal to 2.300 newly issued ordinary MPS shares for each Mediobanca share tendered to the Offer, with an Offer period scheduled between 14 July 2025 and 8 September 2025.

Based on the MPS closing price at the Offer date, equal to EUR 6.953, such consideration implied a valuation of approximately EUR 15.992 for each Mediobanca share, with a premium of 5.03% over the Mediobanca closing price on the same date, equal to EUR 15.227.

On 2 September 2025, the Board of Directors of MPS resolved to improve the economic terms of the Offer, transforming it from a public exchange offer (OPS) into a public tender and exchange offer (OPAS). The new terms provided, for each Mediobanca share tendered to the Offer:

- a) share consideration equal to 2.533 newly issued ordinary MPS shares (as adjusted in May 2025 following the ex-dividend dates and the subsequent payment of the MPS dividend and the Mediobanca interim dividend);
- b) additional cash consideration equal to EUR 0.90 per share.

On the same date, the Parent Company announced that it was waiving the threshold condition equal to at least 66.67% of the voting rights exercisable at Mediobanca shareholders' meetings.

On 3 September 2025, MPS announced that the minimum threshold condition of 35% of the voting rights exercisable at Mediobanca shareholders' meetings had been met - achieved during the first tender period - and, at the close of that period, 506,633,074 Mediobanca shares had been tendered, equal to approximately 62.3% of the share capital. Accordingly, as at 8 September 2025, the reopening period required by law was announced for a further five trading days, from 16 September 2025 to 22 September 2025 inclusive. During this final period, a further 195,588,985 shares were tendered, equal to approximately 24.0% of the share capital.

On 15 and 29 September 2025, against the transfer of ownership of the Mediobanca shares, Banca MPS issued and assigned to the Offer participants a total of 1,778,728,477 new MPS shares, equal to 86.3% of Mediobanca's share capital, according to the ratio of 2.533 MPS shares for each 1 Mediobanca share. In addition, on the same dates, MPS paid entitled parties the cash consideration (namely EUR 0.90 for each Mediobanca share tendered to the Offer), for a total of EUR 631,999,853.10.

1.2.2 Regulatory provisions envisaged by IFRS 3

The public tender and exchange offer that enabled MPS to obtain control of Mediobanca qualifies as a "business combination" to be accounted for in accordance with International Financial Reporting Standard (IFRS) 3, which requires application of the acquisition method.

According to this method, at the acquisition date the acquirer must:

- identify the acquirer and the acquisition date;
- determine the cost of the acquisition;
- allocate the cost of the acquisition (so-called "Purchase Price Allocation", hereinafter "PPA"), recognising the acquiree's identifiable assets, liabilities and contingent liabilities at their respective fair values at that date, with the exception of non-current assets (or disposal groups) classified as held for sale pursuant to IFRS 5. The latter are in fact measured at fair value net of selling costs.

Any excess of the cost of the combination that is not allocated must be recognised as goodwill; otherwise, the negative difference arising from the accounting for a bargain purchase is recognised in the income statement as negative goodwill.

Identification of the Acquirer and Acquisition Date

As provided for in IFRS 3, the acquirer is identified as the entity that obtains control of the entity being acquired. Control is the power to determine the management and financial policies of an entity in order to obtain benefits from its activities. This concept is normally linked to the holding of a majority of voting rights in the governing bodies and/or the power to appoint a majority of the members of the decision-making bodies. In this regard, an analysis of the criteria set out in IFRS 10 and IFRS 3.B15 has led to the identification of Banca MPS as the acquirer of Mediobanca.

In the case of the acquisition of Mediobanca by Banca Monte dei Paschi di Siena, the effective transfer of ownership of the shares was completed on 15 September 2025, following settlement of the first period of the Public Exchange Offer. It is therefore from that date that MPS acquired control of Mediobanca pursuant to IFRS 10, with the consequent obligation to include it within its consolidation scope. Given the impossibility of preparing a statement of financial position as at 15 September 2025, and also considering that, in the short period up to the close of the reporting period on 30 September 2025, no events occurred that significantly changed the financial position and performance of the acquired Group compared with the acquisition date, it was deemed appropriate, for the purposes of the PPA process and

the first-time consolidation of Mediobanca into MPS, to refer to the consolidated statement of financial position prepared as at 30 September 2025. The income statement results of the Mediobanca Group were therefore consolidated starting from 1 October 2025.

Determination of the Acquisition Cost

Pursuant to IFRS 3, paragraph 37, the consideration transferred in a business combination must be determined on the basis of the fair values, at the acquisition date, of the assets transferred by the acquirer to the former shareholders of the acquiree, the liabilities incurred by the acquirer in respect of such parties and the equity interests issued by the acquirer. In the case of the acquisition of Mediobanca, the acquisition cost consists of the aggregate of the fair value of the shares issued by BMPS in the capital increase and allocated to Mediobanca shareholders, and the cash consideration transferred to them within the framework of the OPAS. For the purposes of determining the fair value of the BMPS shares issued, reference was made to the reference price of the MPS share on 12 September 2025, equal to EUR 8.366 per share, namely the last available price before the acquisition date (15 September 2025) and therefore before the issuance of the BMPS shares for the benefit of Mediobanca shareholders. The price was also used for the measurement of the shares subsequently issued on 29 September 2025, since the commitment to reopen the offer period – provided for ab origine in the Transaction Offer Document, following the simultaneous exceeding of the minimum threshold of 35% and waiver of the 66.67% threshold condition – arose upon the effectiveness of the OPAS.

The cash consideration was measured, in line with IFRS 3, paragraph 37, at the fair value of the assets transferred and therefore at the cash outflow actually paid.

In addition, for the purposes of determining the acquisition cost, it should be noted that IFRS 3.42 provides that “in a business combination achieved in stages, the acquirer shall remeasure its previously held equity interest in the acquiree at its acquisition-date fair value”. Accordingly, with regard to the 31,996 Mediobanca shares already held by BMPS, these were measured at Mediobanca’s share price as at 12 September 2025 (EUR 22.00 per share), for a total value of EUR 0.7 mln, which was also included in the calculation of the acquisition cost.

Lastly, with reference to the non-controlling interests, corresponding to a 12.93% interest, in line with the 87.07% consolidation percentage, the latter calculated net of the treasury shares held by Mediobanca, BMPS adopted the “full goodwill method”, whereby non-controlling interests are determined by reference to 100% of the net fair value of the assets and liabilities acquired. The overall fair value of the non-controlling interests recognised in the consolidated financial statements at the acquisition date amounted to EUR 2,304 mln. This amount was included in the overall notional consideration for the business combination for the purpose of determining goodwill, in application of the full goodwill method provided for by IFRS 3.

Based on the foregoing, the total acquisition cost amounted to EUR 17,817.3 mln. A detailed table showing how this amount was calculated is set out below.

(Eur/thousand)

Determination of the acquisition cost of the Mediobanca Group

Total Mediobanca shares as at the date of acquisition		702,254,055
of which shares held under the OPAS (8 September 2025)	a	506,633,074
of which shares held under the OPAS (22 September 2025)	b	195,588,985.0
of which shares already held by MPS	c	31,996
Share price of MPS (Eur) - 12 September 2025	d	8.4
Share price of Mediobanca (Eur) - 12 September 2025	e	22
Exchange	f	2.5
Cash payment to OPAS p.y. (Eur)	g	0.9
Total number of shares issued	h=i+l	1,778,728,477
no. Shares issued on 15 September 2025	i=a*f	1,283,301,577.0
no. Shares issued on 29 September 2025	l=b*f	495,426,900
Value of the MPS capital increase (Eur/ thousands)	m=h*d	14,881.0
Cash consideration (Eur/thousands)	n= (a+b)*g	632
Value of shares already held by MPS (Eur/ thousands)	o=c*e	1.0
Total acquisition cost 87.07% ⁽¹⁾ (Eur/thousands)	p=m+n+o	15,514
Total cost of acquisition (100%) (Eur/thousand)	q=p/87,07%	17,817
Non controlling interests	r=q-p	2,304

⁽¹⁾ Interest calculated by deducting the 6,745,422 treasury shares held by Mediobanca from the total number of shares constituting Mediobanca's share capital, equal to 813,279,689

Lastly, the accounting effects of the acquisition transaction also include the costs related to the OPAS, amounting to EUR 94 mln plus VAT and expenses, including advisory fees connected with the authorisation procedures — also in foreign jurisdictions — and contributions to the Supervisory Authorities. These costs were recognised for EUR 6.9 mln in the income statement and, for the remaining portion, as a reduction of equity reserves, as they are directly attributable to the capital increase and the corresponding issuance of shares.

Allocation of the Acquisition Cost (Purchase Price Allocation - PPA)

At the acquisition date, the acquirer must allocate the cost of the business combination by recognising the acquiree's identifiable assets, liabilities and contingent liabilities at their respective fair values at that date.

Assets and liabilities are recognised separately only if, at the acquisition date, they meet the following criteria:

- in the case of an asset other than an intangible asset, it is probable that any related future economic benefits will flow to the acquirer and its fair value can be measured reliably;
- in the case of a liability other than a contingent liability, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and its fair value can be measured reliably;
- in the case of an intangible asset or a contingent liability, its fair value can be measured reliably.

The recognition of these assets and liabilities at the amounts at which they are recorded following the allocation of the acquisition cost is reflected in the income statements subsequent to the acquisition date, which must recognise the acquiree's income and expenses on the basis of the cost of the business combination incurred by the acquirer. For example, the amortisation charge recognised, after the acquisition date, in the acquirer's income statement and relating to the acquiree's depreciable assets, must be based on the fair values of those depreciable assets at the acquisition date, i.e. their cost to the acquirer. In addition, in the event of disposal of assets recognised at fair value in the PPA, for the purposes of the acquirer's financial statements, the gain or loss on disposal must be determined on the basis of the carrying amount inclusive of the effects of the PPA.

Any excess between the cost incurred for the business combination transaction and the fair value of the identifiable assets, liabilities and contingent liabilities must be recognised as goodwill; whereas, if the fair value of the acquired entity's identifiable net assets is higher than the acquisition cost, income ("negative goodwill") must be recognised in the acquirer's income statement.

Determining the impacts of the PPA process required the support of independent experts, through whom the fair value of the balance-sheet items at the acquisition date was determined.

With reference to the measurement period within which to obtain the information necessary to carry out the fair value measurement of the acquiree's identifiable assets and liabilities and complete the PPA process, IFRS 3 provides that this period ends as soon as the acquirer has received all the information existing at the acquisition date that is necessary, or has ascertained that it is not possible to obtain further information to perform the valuations of the acquired items. In any case, the measurement period may not extend beyond one year from the acquisition date. In line with the aforementioned standard, the PPA process relating to the acquisition of Mediobanca will be completed by 30 September 2026.

1.2.3 The fair value of acquired assets and liabilities

Based on the foregoing, the PPA process therefore focused on the fair value measurement of the assets acquired and liabilities assumed.

The fair value measurement of the individual accounting items subject to acquisition was carried out with the support of leading independent third-party experts and mainly concerned:

- loans to customers and due from banks (both performing and non-performing);
- Equity investments
- Debt securities
- Property, plant and equipment (buildings and land and Right of Use);
- Bonds issued and due to banks and customers;
- Other accounting items measured in the PPA process.

In addition, within the PPA process, consolidated goodwill arising from the Mediobanca Group Financial Statements was reversed, since under IFRS 3 the goodwill or badwill recognised in the acquirer's consolidated financial statements summarises, and therefore replaces, the historical evidence of goodwill recognised in the financial statements of the acquired entities. With reference to the other intangible assets recognised following previous PPAs of the Mediobanca Group, no adjustments were made (save for the action taken in respect of a brand subject to a write-down of EUR 12.3 mln due to evidence of impairment already existing at the acquisition date), as within the PPA process no new intangible assets representing the value of the relationships and volumes of the entire Mediobanca Group have yet been measured.

As a result of the work performed, the residual difference between the consideration transferred and the net fair value of the assets and liabilities acquired led to the determination of provisional goodwill of EUR 2,953 mln. This amount is to be regarded – as already indicated – as provisional, and will be updated following the completion of the PPA process, which is reasonably expected to result in: i) the recognition of new intangible assets representing the value of the brand and the customer relationships of Mediobanca and its subsidiaries; and ii) the measurement at fair value of the balance sheet items of certain foreign subsidiaries.

For the cases with the greatest impact within the PPA process, a brief illustration of the valuation methodology and related results is provided below.

Loans to customers and due from banks

The valuations were carried out with the support of a leading independent expert active in Financial Advisory, who determined the fair value at the acquisition date of the portfolio of due from banks and loans to customers subject to acquisition.

The overall fair value was positive compared with the related carrying amount by EUR 2,239 mln. This overall difference is the result of the combined effects of the performing items (positive by EUR 2,410 mln) and the non-performing items (negative by EUR 171 mln), described in detail below.

Performing loans

The portfolio subject to valuation relates to performing medium- and long-term business, whereas for short-term business, understood as on-demand transactions or transactions with a residual maturity of less than 12 months, and for revolving facilities, the carrying amount taken from the Mediobanca Group's statement of financial position at the acquisition date is deemed to be a reasonable approximation of fair value under IFRS 13, considering that the discounting of future cash flows would be of limited significance even in the presence of changes in market reference rates.

On the basis of the above, all repurchase agreements, current accounts, deposit accounts and factoring, and all on-demand items or items with short-term maturities, were therefore excluded, while mortgage loans, consumer loans, lease financing and other loans to corporate customers were included almost in full in the valuation perimeter, as they are characterised by maturities consistent with the time horizon of the analysis. Overall, the performing loans subject to valuation within the PPA process amounted to approximately EUR 40.5 bn.

In determining the fair value at the acquisition date of the performing loans subject to valuation for PPA purposes, in the absence of an active market for this type of instrument, it was assumed, as provided for by IFRS 13, that the price to be received in an orderly market sale would be replicated, thus adopting the assumptions that a normal market operator would reasonably use in determining the price and therefore defining a valuation framework as homogeneous as possible with situations actually observable on the market.

That being said, the methodology used to estimate the fair value of performing loans replicates the methodology currently prevailing on the market, which consists in using a Discounted Cash Flow (DCF) model, in which cash flows were discounted at an appropriate discount rate incorporating the estimate of the main risk factors.

As regards cash flows, principal and interest flows inferred from the reconstruction of repayment schedules starting from the valuation reference date were considered.

The discount rate used was obtained as the sum of three components:

- cost of capital estimated on the basis of the Capital Asset Pricing Model (CAPM);
- cost of funding estimated using market benchmarks consistent with the characteristics of each portfolio;
- liquidity spread to factor in the illiquid nature of the asset being valued.

The discount rate applied was constructed taking into account a financial structure providing for a target CET1 ratio consistent with MPS's capital requirement.

In addition, within a prudential calculation process and in order to obtain a cash-flow configuration more closely aligned with what is observed in reality, appropriate prepayment coefficients were used which estimate, consistently with the historical evidence observed, the probability of full or partial early repayment of the loans, differentiated by portfolio type.

The valuation process resulted in an aggregate fair value of performing loans higher than the related carrying amount by a total of EUR 2,410 mln, gross of the related tax effect.

Lastly, it should be noted that, with reference to performing loans, the fair value measurement resulted in the elimination of the loss allowance previously recognised by Mediobanca. In this respect, it should be noted that a loss allowance of EUR 431 mln was re-established in the 2025 income statement (and therefore outside the PPA process), prudently determined taking account of the macroeconomic context and the risk indicators already present in Mediobanca.

Non-performing loans

As these were positions acquired already in a state of impairment, the Mediobanca Group's non-performing loans – including bad loans, unlikely to pay and non-performing past-due exposures – were classified as Purchased or Originated Credit-Impaired (hereinafter “POCI”) pursuant to IFRS 9 and Bank of Italy Circular 262, which defines them as “exposures that satisfy the definition of purchased or originated impaired financial assets in Appendix A to IFRS 9. These include, inter alia, impaired credit exposures acquired in transfer transactions (individual or portfolio) and business combinations”.

In the absence of an active market for such financial instruments, fair value was determined using a market approach, based on the application of benchmark average disposal prices expressed as the ratio between disposal price and gross book value (P/GBV). Benchmark prices were determined on the basis of a panel of NPE transactions actually observed on the domestic market, selected on the grounds of comparability with the portfolios being valued. The selection of transactions included in the panel took account of the main risk characteristics of the portfolios, with differentiated analyses according to the type of counterparty (e.g. corporate, SME, retail), the technical form of the loan (e.g. mortgage loans, consumer loans, current accounts, financial leasing), the exposure class (secured/unsecured) and the state of impairment (bad loans, unlikely to pay, non-performing past-due exposures). The panel included both disposal transactions carried out on the market by leading operators and specialist investors and, where available, transactions actually completed by the MPS Group on portfolios of non-performing loans with similar characteristics, in order to maximise the representativeness and consistency of the benchmark prices adopted.

For each cluster a benchmark P/GBV price was identified on the basis of the average or median prices observed in the relevant panel of comparable transactions, giving preference to the metric deemed most representative of the realisation conditions of the portfolio under examination. For portfolios of loans mainly backed by collateral (secured), the panel included transactions involving disposals of NPE portfolios with a predominantly secured component – typically

mortgage loans and real estate leasing – observed over the 2022-2025 period, which produced benchmark prices in the range of 20%-38% of GBV. For unsecured and/or consumer portfolios (consumer loans, credit cards, overdraft facilities), the panel referred to disposal transactions involving unsecured and consumer NPE portfolios, which produced benchmark prices in the range of 12%-20% of GBV.

The valuation approach was applied at portfolio level, consistently with the nature of the benchmark prices used, which express average portfolio realisation dynamics and are therefore not attributable to individual exposures. The overall fair value thus determined at cluster level was subsequently reallocated to the individual positions on the basis of the relative weight of each exposure within the cluster to which it belonged, excluding positions with a net carrying amount equal to zero. For each position, in line with a prudential valuation criterion, the fair value was capped at the related net carrying amount, thus excluding write-backs on individual exposures.

For a limited number of individually significant positions, for which specific information was available on the counterparty and recovery prospects, the valuation was carried out using an analytical approach based on discounting the expected recovery cash flows. In such cases, the estimated recovery percentages were derived from the analysis of the restructuring proposals in place and the related distribution waterfalls, with collection assumptions aligned with the timing envisaged in the repayment plans. The discount rate was determined consistently with the benchmark rates commonly adopted by operators specialised in purchasing non-performing loans on the domestic market, reflecting the weighted average cost of a hypothetical financing structure for the investment. Also in this case, consistently with the prudential criterion referred to above, fair value did not exceed the net carrying amount of the position.

As a result of applying the above methodologies, the valuation process estimated an aggregate fair value of non-performing loans lower than the related pre-acquisition net carrying amount in the Mediobanca Group by EUR 171.0 mln, gross of the related tax effect.

Equity investments

The fair value estimate of the investments in associates held by Mediobanca was carried out by applying market methodologies selected according to the availability of information and the specific characteristics of each investment. In detail:

- investment in Assicurazioni Generali: fair value was determined on the basis of market capitalisation at the valuation reference date, applying a price of EUR 33.41 per share. The resulting value of EUR 6,827 mln was compared with the EUR 3,993 mln recognised in Mediobanca's financial statements, with a difference compared with the carrying amount of EUR 2,834 mln;
- investment in Istituto Europeo di Oncologia (European Institute of Oncology): fair value was estimated on the basis of market multiples and evidence of comparable transactions; the resulting value of EUR 80 mln was compared with the EUR 39 mln recognised in Mediobanca's financial statements, with a difference compared with the carrying amount of EUR 41 mln;
- investment in Finanziaria Gruppo Bisazza S.r.l.: the valuation was carried out by reference to multiples derived from comparable transactions; the resulting value of EUR 6 mln was compared with the EUR 5.5 mln recognised in Mediobanca's financial statements, with a difference compared with the carrying amount of EUR 0.5 mln;
- investment in CLI Holding II: fair value was assumed to be equal to the value of EUR 34 mln included in Mediobanca's consolidated financial statements and determined according to the equity method, considered a reasonable proxy for fair value in view of the nature of the investment and the company's purpose;
- investment in MB Speedup (joint venture established with Founders Factory and focused on early-stage fintech start-up investments): given the characteristics of the company, no comparable transactions were identified and therefore, also in view of its limited value, fair value was assumed to be aligned with the carrying amount of EUR 4.5 mln.

At the end of the PPA process, an aggregate fair value of EUR 6,951.5 mln was recognised, to be compared with a carrying amount of EUR 4,076 mln, with a difference of EUR 2,875.5 mln, gross of the related tax effect.

Debt securities

With specific reference to securities measured at amortised cost, fair value was estimated taking into account the provisions of IFRS 13 on the fair value hierarchy, thus giving priority to the use of market parameters. For Level 1 securities, fair value was determined on the basis of the last prices recorded at the PPA reference date; as regards securities not listed on financial markets (Level 2 and Level 3), fair value was estimated through the DCF methodology

by discounting the expected coupon and repayment cash flows at market rates consistent with the risk profile and specific characteristics of the instruments being valued.

The discount rate was determined as the sum of three components, taking account of the credit risk and liquidity risk of the securities in the portfolio:

- the risk-free rate, determined on the basis of the swap curve in the currency of denomination of the security being valued (EUR or USD);
- z-spread, representing credit risk, derived from a panel of comparable listed securities;
- liquidity spread that considers the liquidity risk associated with unlisted instruments.

On the basis of the foregoing, the aggregate fair value of the debt securities portfolio was EUR 91 mln higher than the related carrying amount gross of the related tax effect.

Property, plant and equipment

Property, plant and equipment include owner-occupied properties, investment properties, land, furniture, fittings and various items of equipment that are expected to be used over a period longer than the financial year. Also included are right-of-use (RoU) assets acquired under leases and relating to the use of a tangible asset (for lessees), assets leased out under operating leases (for lessors), as well as improvements and incremental expenditure incurred on owned assets and rights to use tangible assets arising from lease contracts. Within the PPA process, in accordance with IFRS 3, buildings and land were measured at fair value at the acquisition date. For the other property, plant and equipment, cost was instead retained, as this was deemed representative of their value because it was determined through a depreciation process estimated on the basis of the asset's actual contribution to the production process.

Buildings and land

The valuation was carried out with the support of a leading qualified firm capable of providing property valuations in accordance with the highest industry standards, which, through a specific appraisal, determined the fair value at the acquisition date of the Mediobanca Group's property portfolio, both owner-occupied and investment. The aggregate book value of this portfolio at the acquisition date was EUR 310.7 mln, of which EUR 153.0 mln related to business operating properties, EUR 147.0 mln related to investment properties and EUR 10.0 mln related to property, plant and equipment recognised under IAS 2.

For the purposes of estimating fair value, the methodologies already in place within the MPS Group were used. In particular, the valuation approach was defined on the basis of the operational relevance and intended use of the properties (business operating/non-business operating). Open market value was taken to mean the best price at which the transfer of a property can reasonably be deemed to have been concluded unconditionally, for cash consideration. This concept is in line with IFRS 13, which 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". The valuer used the Discounted Cash Flow (DCF) method, which makes it possible to analyse the income and cost flows (capital and non-capital) connected with the property being valued over a defined time horizon. This approach enabled the valuer's analyses to be fully set out with reference to the events that may occur within the defined time horizon. In particular, this method made it possible to consider in detail the impact on the value of the property of both existing rental income and the costs and revenues deriving from the optimisation of the property, in order to achieve its highest and best use.

In the valuation, account was taken both of the current real estate market context and of the intended use of the properties envisaged by BMPS, in order better to represent the distinction between owner-occupied/ business operating properties and investment properties, or those which, on a prudent basis, are reasonably expected to become such.

On the basis of the foregoing, the aggregate fair value of the property portfolio was higher than the related carrying amount by EUR 600.4 mln, gross of the related tax effect.

IFRS 16 (Right of Use and Lease Liabilities)

Within the PPA process, the assets and liabilities recognised under IFRS 16 were the subject of a specific analysis in order to align their measurement with the valuation criteria of the MPS Group at the acquisition date. In particular, the Right of Use (RoU) assets and Lease Liabilities were redetermined by adopting the MPS Group discount curve at the acquisition date and reviewing the contractual maturities of the lease contracts so as to align them with the renewal logic set out in the MPS accounting policies.

Following this work, the aggregate value of RoU and Lease Liabilities amounted to EUR 166 mln, showing a negative valuation delta of EUR 25.5 mln with reference to the RoU and EUR 33.3 mln with reference to Lease Liabilities.

Bonds issued and due to banks and customers

Within the PPA process, the liability items were measured by homogeneous macro-categories. Instruments with a residual maturity of less than 12 months were excluded, as their carrying amount was considered a reasonable approximation of fair value.

With reference to due to banks and customers, the analyses carried out included within the valuation scope only repurchase agreements entered into by Mediobanca S.p.A., lease liabilities (IFRS 16) and other financial liabilities with a residual maturity of more than 12 months, whereas the entire portfolio of securities issued by the Mediobanca Group with a maturity of more than 12 months was valued. Overall, therefore, the liabilities subject to valuation within the PPA process amounted to approximately EUR 29.1 bn, of which EUR 5.5 bn related to due to banks, EUR 0.8 bn related to due to customers and EUR 22.8 bn related to securities in issue.

At the end of the PPA process, an aggregate fair value of EUR 76,362 mln was determined, to be compared with a carrying amount of EUR 75,749 mln, with a consequent increase in the value of liabilities of EUR 614 mln.

Due to banks

For the purposes of determining the fair value of liabilities (i.e.: repos and borrowings), the valuation was carried out using the DCF method based on discounting the contractually expected cash flows at a rate consistent with the currency and the residual maturity of the exposures. The estimated fair value amounted to EUR 12,369 mln, to be compared with a carrying amount of EUR 12,371 mln, with a consequent slight reduction in the value of liabilities of EUR 2 mln.

Due to customers

With reference to current accounts and demand deposits, in line with IFRS 13 – which requires on-demand liabilities to be measured at least at the amount payable on demand – fair value was assumed to be equal to nominal value, neutralising the effects of the hedges in place.

With reference to financial liabilities, the valuation was carried out by discounting the amount due at maturity at a rate consistent with the currency and the maturity of the exposure.

Overall, the estimated fair value amounted to EUR 35,258 mln, to be compared with a carrying amount of EUR 34,882 mln, with a consequent increase in the value of liabilities of EUR 375 mln, also taking account of the redetermination of Lease Liabilities equal to EUR -33.3 mln.

Bonds issued

For bonds issued, fair value was estimated in line with the provisions of IFRS 13 on the fair value hierarchy, distinguishing between listed and unlisted instruments.

- for listed securities (Level 1), the valuation was carried out using the market price observed at the reference date;
- for securities classified as Level 2, the valuation was carried out using the DCF methodology, discounting contractual cash flows using discount rates consistent with the average yields to maturity observed on the market and derived from a panel of comparable banks. In particular, cash flows were determined on the basis of the contractual characteristics of each security (coupon rate, coupon payment frequency and maturity date), as provided by the Mediobanca Group. The discount rate was estimated by reference to the average Yield to Maturity (YTM) observed on a sample of listed bonds selected in a consistent currency and with a residual maturity comparable to the security being valued

At the close of the PPA process, the fair value of bonds issued amounted to EUR 28,735 mln, to be compared with a carrying amount of EUR 28,496 mln, with a consequent increase in the value of liabilities of EUR 239 mln.

Other accounting items measured in the PPA process

With reference to the classification or designation of identifiable assets acquired and liabilities assumed in a business combination, IFRS 3, paragraph 15, provides that at the acquisition date the acquirer shall classify or designate the identifiable assets acquired and liabilities assumed as necessary for the subsequent application of other IFRSs. The

acquirer must make such classifications or designations on the basis of the contractual terms, economic conditions, its own operating or accounting policies, as well as other relevant conditions existing at the acquisition date.

In some situations, IFRSs provide for different accounting treatment depending on how the entity classifies or designates a particular asset or liability. Examples of classifications or designations that the acquirer must make on the basis of the relevant conditions existing at the acquisition date include:

- the classification of particular financial assets and liabilities as measured at fair value through profit or loss or at amortised cost, or as financial assets measured at fair value through other comprehensive income in accordance with IFRS 9;
- the designation of a derivative instrument as a hedging instrument in accordance with IFRS 9 and
- the assessment of whether an embedded derivative should be separated from the host contract in accordance with IFRS 9 (which is a matter of "classification" in the sense in which IFRS uses that term).

Within this framework, the analysis of the common positions confirmed the business models in place at the acquiree and, for financial assets at amortised cost as well as those measured at fair value through other comprehensive income, the SPPI test required by IFRS 9 was performed, confirming the classification of those assets in the aforementioned accounting portfolios also for the purposes of the MPS Group Consolidated Financial Statements.

In addition, again with regard to the analysis of common positions, only one case emerged of investment in participating financial instruments with a different classification, and the accounting treatment was accordingly realigned.

For financial assets and liabilities already measured at fair value in Mediobanca's financial statements, detailed analyses were carried out within the PPA that did not highlight any issues regarding the classification and valuation methodologies used by the Mediobanca Group and/or any elements requiring corrective action with respect to the measurements included in the Mediobanca Group's consolidated financial statements. Consequently, for the purposes of allocating the acquisition cost, the values as resulting from the acquiree's financial statements were taken as the reference.

Hedging relationships

In application of paragraph 15 of IFRS 3, the hedging relationships in place within the Mediobanca Group at the acquisition date were the subject of a specific analysis aimed at defining the hedging strategies to be redesignated anew from the acquisition date, consistently with the MPS Group's risk management and hedge accounting policies.

Within the PPA process, this analysis covered the entire scope of hedging transactions in place within the Mediobanca Group. The hedging relationships deemed consistent with the IAS 39 framework adopted by the MPS Group, in the carved-out version endorsed by the European Commission, were accordingly redesignated anew from the acquisition date, including the hedges originally set up within the Mediobanca Group under IFRS 9. The only hedge existing within the Mediobanca Group and not redesignated within the MPS Group relates to the Cash Flow Hedge associated with Compass's variable-rate funding, as it had a structure not permitted under IAS 39.

With reference to macro hedging relationships under IAS 39, at the acquisition date specific balance-sheet items were recognised representing the fair value adjustment for interest rate risk on assets and liabilities subject to generic hedging, in application of paragraph 89A of IAS 39. In particular, the items "Value adjustment to financial assets subject to generic hedging" and "Value adjustment to financial liabilities subject to generic hedging" were measured, as they reflect the cumulative effects of fair value changes attributable to the hedged risk. For the purposes of determining goodwill within the PPA process, these value adjustments were reversed because:

- the hedging relationships were re-designated anew from the acquisition date; and
- the hedged items were recognised individually at fair value within the PPA, in accordance with IFRS 3.

The reversal of the above balance-sheet items connected with macro hedging relationships resulted in the recognition of an overall negative effect of approximately EUR 0.7 mln, gross of the related tax impact.

The subsequent presentation of the new hedging relationships in MPS's consolidated financial statements did not give rise to any further impacts beyond those already reflected in the amortisation of the fair value adjustments recognised on the individual hedged items in the PPA.

Other items

With reference to provisions for risks and charges, within the PPA process the main types of risk against which provisions had been recognised in the Mediobanca Group's financial statements were analysed; the analyses focused on the need,

in application of the policies and implementation methodologies adopted by the MPS Group, for any additional provisions against homogeneous types of risk. As regards contingent liabilities, marginal cases emerged relating to severance and options following the change of control of Mediobanca.

The analyses carried out showed an overall negative effect for these items, gross of the related tax effect, of EUR 12 mln.

Tax Effects

IAS 12 provides that, in a business combination, since the identifiable assets acquired and liabilities assumed are recognised at their respective fair values at the acquisition date, temporary differences arise when the tax value recognised for the identifiable assets acquired and identifiable liabilities assumed is not affected by the business combination.

In application of IAS 12, the fair value adjustments recognised in the PPA on the assets and liabilities acquired were analysed in order to determine the related tax effects, taking account of the nature of the individual items and their treatment for deferred tax purposes.

The aggregate net tax effects arising from the revaluation of assets and liabilities within the PPA process amount to approximately EUR 722 mln of tax liabilities. These effects were determined by applying the tax rates in force at the date of the business combination for IRES purposes (27.5%) and IRAP purposes (5.57%), consistently with the tax relevance of the individual adjustments made.

In accordance with IAS 12, the tax effects thus determined were recognised against the goodwill arising from the outcome of the PPA process.

1.2.4 Determination of goodwill

Based on the foregoing summary, a summary schedule of the acquisition cost allocation process and the resulting goodwill is set out below.

Determination of Goodwill		(Eur/mlin)
Mebiobanca net equity as at 30 September 2025	11,305	a
Purchase price (full goodwill method)	17,817	b
Write-off of goodwill recognised by Mediobanca Group	(863)	c
Goodwill before fair value adjustments to individual accounting items	7,376	d=a-b-c
Fair value adjustments to individual accounting items	4,422	e
of which: Loans to customers	2,201	
of which: Loans to banks	38	
of which: Outstanding Debt Securities	91	
of which: investments in associates	2,875	
of which: Properties	600	
of which: debt securities	(240)	
of which: due to banks	2	
of which: due to customers	(409)	
of which: other	(13)	
of which: tax effects	(722)	
Fair value of Mediobanca equity as at 30 September 2025	14,864	f=a+c+e
Goodwill	2,953	e-d

The balance sheet on first-time consolidation of the Mediobanca Group

Based on the effects relating to the fair value measurement of the identifiable assets and liabilities, the balance sheet of the Mediobanca Group as accounted for by MPS at the acquisition date is set out below. More specifically, the balance sheet shows, at the acquisition date, the balance-sheet data based on the carrying amounts deriving from the Mediobanca Group and the initial recognition values (fair value) in MPS's consolidated financial statements.

Assets	Book value as at 30.09	fair value adjustment	Fair value as at acquisition date
10. Cash and cash equivalents	1,500	-	1,500
20. Financial assets measured at fair value through profit or loss	18,006	-	18,006
30. Financial assets measured at fair value through other comprehensive income	4,987	-	4,987
40. Financial assets measured at amortised cost	70,810	2,329	73,139
50. Hedging derivatives	327	-	327
60. Change in value of macro-hedged financial assets (+/-)	(2)	2	-
70. Equity investments	4,077	2,875	6,952
80. Insurance activities	-	-	-
90. Property, plant and equipment	612	577	1,189
100. Intangible assets	1,081	(863)	218
- of which goodwill	851	(851)	-
- of which trademarks	73	(12)	
110. Tax assets	625	253	878
120. Non-current assets held for sale and disposal groups	7	-	7
130. Other assets	2,553	8	
Total assets	104,583	5,181	109,764

Total Liabilities and Shareholders' Equity		Book value as at 30.09	fair value adjustment	Fair value as at acquisition date
10.	Financial liabilities measured at amortised cost	75,749	614	76,363
20.	Financial liabilities held for trading	8,917	-	8,917
30.	Financial liabilities designated at fair value	5,113	-	5,113
40.	Hedging derivatives	1,002	-	1,002
50.	Change in value of macro-hedged financial liabilities (+/-)	(3)	3	-
60.	Tax liabilities	725	975	1,700
70.	Liabilities associated with non-current assets held for sale	-	-	-
80.	Other liabilities	1,545	13	1,558
90.	Provision for employee severance pay	19	-	19
100.	Provisions for risks and charges:	116	17	133
110.	Insurance liabilities	81	-	81
120-200	Net equity's items	11,305	3,559	14,864
190.	Equity attributable to non-controlling interests (+/-)	14	-	14
Total Liabilities and Shareholders' Equity		104,583	5,181	109,764

In the fourth quarter of 2025, starting from the acquisition date, the income statement reflected the period effects relating to the amortisation of the differences between the fair values and carrying amounts arising in the PPA; these differences relate mainly to items measured at amortised cost (for example, loans to customers or securities in issue). The impact on the 2025 income statement was negative in an amount of EUR 320.6 mln, net of the related tax effect. For the purposes of the reclassified income statement, the item "Net economic effects of the "Purchase Price Allocation" (net of tax)" included: (i) EUR -50.1 mln relating to the amortisation of the differences between fair values and carrying amounts arising in the PPA, gross of the tax effect, (ii) EUR -431.8 mln, gross of the tax effect, for the reinstatement of the Expected Credit Loss on Mediobanca's performing loans, which had ceased as a result of the fair value adjustment of the loan portfolio¹³⁸, and (iii) EUR 161 mln as the tax impact on the items referred to above. The overall economic effect recognised under the item "Net economic effects of the "Purchase Price Allocation" (net of tax)" therefore amounted to EUR 320.6 mln.

Lastly, again with reference to the business combination transaction, charges totalling EUR 39.9 mln, gross of the related tax effect, relating to the integration process of the two Groups, were recognised in the income statement of 2025 Financial Statements; in particular, the item "Extraordinary/integration transaction costs" in the reclassified income statement includes (i) approximately EUR 23 mln of personnel expenses, of which EUR 16 mln relate to the revision of the incentive scheme and EUR 7 mln to the exit incentive granted to certain managers, (ii) EUR 15.9 mln of administrative expenses, of which EUR 8 mln relate to IT projects, while the remaining portion, equal to EUR 7 mln, is linked to ancillary expenses relating to the OPS, and (iii) lastly approximately EUR 1 mln of interest expense and similar charges.

¹³⁸ Pursuant to IFRS 9, on the performing exposures deriving from Mediobanca, which qualify as newly originated loans for the purposes of MPS's consolidated financial statements, the provision for lifetime ECL was recognised based on staging. This effect, as provided for by IFRS 3, was recognised outside the PPA process; indeed, IFRS 3, paragraph B41, provides that the acquirer must not recognise, at the acquisition date, a loss allowance for expected credit losses because the effects of uncertainty about future cash flows are already included in the fair value measurement. However, at the first reporting date following the acquisition date, as these loans must follow the ordinary rules provided for by IFRS 9, it is necessary to recognise the provision for ECL. This approach is similar to that which would have been used if the entity had originated or acquired such loans within a portfolio, rather than acquiring them in a business combination.

Section 2 - Business combinations completed after the financial period

2.1 Business combinations

Following the closure of the 2025 financial year, no business combinations pursuant to IFRS 3 have been entered into.

Section 3 – Retrospective adjustments

No adjustments recognised in the current year relating to business combinations that occurred in previous years are reported.

Part H - Related-party transactions

1 Compensation of key management personnel

	Board of Director	Board of Statutory Auditors	Other managers with strategic responsibility	Total
Short-term benefits (1)	1,285	228	5,223	6,736
Post-retirement benefits (2)	-	-	143	143
Termination benefits (3)	-	-	-	-
Share-based payments (4)	-	-	2,318	2,318
Other benefits (5)	-	-	2,267	2,267
Total as at 31 12 2025	1,285	228	9,951	11,464
Short-term benefits (1)	1,216	228	4,559	6,003
Post-retirement benefits (2)	-	-	98	98
Termination benefits (3)	-	-	1,044	1,044
Share-based payments (4)	-	-	1,821	1,821
Other benefits (5)	-	-	1,234	1,234
Total as at 31 12 2024	1,216	228	8,756	10,200

(1) includes salaries and fringe benefits;

(2) includes employer contributions to pension funds;

(3) includes contractual indemnities payable upon termination of employment;

(4) includes the cost relating to share-based payments under the incentive scheme;

(5) includes variable remuneration under the incentive scheme.

In compliance with the instructions provided by accounting standard IAS 24 and in light of the current organisational structure, the Group includes within the scope the Directors, Statutory Auditors, the General Manager, the Deputy General Managers and the Key Management Personnel of the Parent Company.

The information regarding remuneration policies is contained in the “Remuneration Report pursuant to art. 123 ter of the Consolidated Law on Finance”, available on the Parent Company’s internet site, which contains the following data:

- a detailed breakdown of compensation paid to the Administration and Control Bodies, General Managers and, in aggregate form, to Key Management Personnel;
- quantitative information on the remuneration of “Identified Staff”;
- monetary incentive plans in favour of members of the Administration and Control Body, the General Managers, the Deputy General Managers and other Key Management Personnel;
- information on the equity investments of members of the Administration and Control Bodies, the General Managers and other Key Management Personnel.

In 2025, the employment relationship of a single member of the Parent Company’s key management personnel ceased, without any indemnity being recognised.

2.-Related-party transactions

In accordance with the provisions of Consob Resolution No. 17221 of 12 March 2010, as amended (hereinafter also the "Consob Regulation" or "Consob Regulation No. 17221/2010"), Article 53 of the Consolidated Banking Law and its implementing provisions (Bank of Italy Circular No. 285/2013, Part Three, Chapter 11 "Risk activities and conflicts of interest with associated parties"), the "Committee for Related Party Transactions" was established, composed of between three and five independent directors, which performs the functions provided for in the Articles of Association and in the applicable laws and regulations governing transactions with related parties and associated parties.

The "Group Directive concerning Management of regulatory obligations on related parties, associated parties and obligations of bank representatives" (hereinafter the "Group Directive"), accompanied by the "Group Regulations concerning Management of regulatory obligations on related parties, associated parties and obligations of bank representatives" (hereinafter the "Group Regulations"), approved by the Parent Company's Board of Directors, with the prior favourable opinions of the Committee for Related Party Transactions and the Board of Statutory Auditors, contains provisions and internal procedures on related parties, aligned with the provisions of the Consob Regulation in force. The Group Directive was most recently updated on 1 July 2025 to adapt to the current organisational structure of the Parent Company MPS.

The Group Directive defines the organisational model adopted by the MPS Group (principles and responsibilities) for the management process of the provisions applicable to related parties, associated parties and obligations of the bank representatives, and in particular, governs, at the MPS Group level, the principles and rules for the control of risks arising from situations of possible conflicts of interest with some subjects close to the decision making centres of the Parent Company.

Within the Group Directive, the following is also defined:

- the formulation of the responsibilities assigned within the MPS Group (tasks and responsibilities of the top management bodies and corporate functions of the Parent Company and Subsidiaries);
- the scope of related parties, associated persons (hereinafter also referred to as the "Group Perimeter"), and other parties potentially in conflict of interest;
- the criteria for the identification of transactions, level of relevance of the transactions;
- the decision-making procedures and exemption cases;
- the internal policies in the area of control.

For the purpose of the Group Directive, significance is attributed to the transactions carried out with the subjects operating within the Group Perimeter which involve the performance of risk activities, the transfer of resources, services and obligations, regardless of the requirement of a consideration. With regard to the type of transactions, these are classified in detail in the aforementioned Group Regulations, as:

- **"most significant transactions"**: transactions where at least one of the following relevance indicators, applicable according to the specific transaction, exceeds the 5% threshold (greater relevance threshold):
 - *countervalue relevance index*: the ratio of the countervalue of the transaction to the total of the own funds resulting from the most recent published consolidated balance sheet;
 - *relevance index of the assets*: the ratio of the total assets of the entity to which the transaction refers, to the total assets of BMPS;
 - *relevance index of the liabilities*: the ratio of the total liabilities of the acquired entity to the total assets of BMPS;
- **"transaction of lesser relevance"**: transactions above the small amount and up to the large amount threshold; in the context of transactions of lesser significance, transactions in which the amount exceeds EUR 100.0 mln and up to the threshold of **greater significance** (significance index of the equivalent value) are considered to be of lesser significance as a "significant amount", or, in the case of acquisitions, mergers and demergers for an amount equal to or less than EUR 100.0 mln, the significance index of the assets and/or liabilities is equal to or greater than the ratio of EUR 100.0 mln and own funds at a consolidated level;
- **"transactions of a negligible amount"**: transactions of EUR 250.0 thousand or less where the counterparty is a legal person; transactions of EUR 100,000 or less, where the counterparty is a natural person.

The provisions and procedures applicable to transactions with related parties, in the versions in force at the time, are published on the website www.gruppomps.it in the section "Corporate Governance - Transactions with related parties".

The Parent Company's Board of Directors formally resolved, as early as financial year 2016, to include the Ministry of Economy and Finance (hereinafter "MEF") and its directly and indirectly controlled companies within the scope of related parties on a discretionary basis, in accordance with the provisions of the Group Directive, while excluding them from the prudential regulatory framework. Following the completion of the Parent Company's precautionary recapitalisation and the resulting acquisition by the MEF of the status of controlling shareholder as from August 2017, the Parent Company

received a communication from the Supervisory Authority on 18 December 2017 concerning the procedures for the subsequent application of the limits on risk exposures set out in the prudential regulations, pursuant to Article 53 of the Italian Banking Act (TUB) and its implementing provisions (Bank of Italy Circular no. 263/06, Title V, Chapter 5), by applying the so-called “*silo*” approach to the calculation of the relevant limits.

As of 27 December 2024, the MEF acquired the status of shareholder with significant influence as a result of changes in the shareholding structure and composition of the Board of Directors of the Parent Company that took place in November and December 2024, respectively. The related-party disclosure as at 31 December 2025 takes into account the perimeter relating to the latest classification of the MEF and therefore includes companies directly and indirectly controlled by the MEF and companies under joint control.

With reference to the MEF scope, the Parent Company has availed itself of the exemption provided by paragraph 25 of IAS 24 on the disclosure of transactions and balances of existing transactions with government-related entities. The main transactions carried out with the MEF and with its subsidiaries, in addition to financing transactions, include Italian government securities recorded in the portfolios “Financial assets measured at fair value through other comprehensive income” for a nominal amount of EUR 867.0 mln, “Financial assets measured at fair value through profit or loss” for a nominal amount of EUR 2,638.2 mln and “Financial assets measured at amortised cost” for a nominal amount of EUR mln.

Information is provided below regarding the most significant transactions, in terms of amount, carried out by the Parent Company with related parties in 2025.

MEF related-party transactions

(i) Transactions with SACE S.p.A.

On 11 February 2025, the Credit Committee resolved to grant, inter alia, a loan to customers of the Parent Company that are not related parties, up to a maximum of EUR 50.0 mln, as the Parent Company’s share of a syndicated loan for a total of EUR 355.0 mln, in which CDP S.p.A. also participates and supported by a SACE guarantee with coverage of up to 70%, equal to EUR 20.3 mln for the Parent Company’s share.

In February and March 2025, SACE S.p.A. granted SACE Futuro guarantees at 70% in favour of customers of the Parent Company there are not related parties, securing medium/long-term credit lines for the respective maximum amounts guaranteed by SACE S.p.A., respectively of EUR 35.0 mln (with a guarantee of EUR 24.5 mln), EUR 30.0 mln (with a guarantee of EUR 21.0 mln) and EUR 30.0 mln (with a guarantee of EUR 21.0 mln).

During the first quarter of 2025, two insurance policies were finalised with SACE S.p.A. with coverage equal to 60% and 50% of the risk of non-payment, relating to documentary credit confirmation transactions in euros and US dollars, respectively, concluded by the Parent Company’s customers with foreign banks, for a value of approximately EUR 10.2 mln and USD 11.3 mln, respectively.

On 13 June 2025 a transaction was concluded with SACE S.p.A., for the benefit of the Parent Company’s customers classified as not related parties, involving the issue of a 60% SACE guarantee securing a credit line of EUR 36.7 mln, as the Bank’s participation in a syndicated loan guaranteed by SACE S.p.A. with a guarantee amount of EUR 22.0 mln.

In June 2025, several medium-to-long-term financing transactions were completed for the benefit of the Parent Company’s customers, secured by a 70% SACE Guarantee under the “Growth Standard” guarantee agreement, as part of the initiatives under the DQSACEFUTURO2025 programme described above, consisting of: two transactions of EUR 15.0 mln each (with a SACE guarantee of EUR 10.5 mln), and other transactions of: EUR 20.0 mln (with a SACE guarantee of EUR 14.0 mln), EUR 21.0 mln (with a SACE guarantee of EUR 14.7 mln), and EUR 25.0 mln (with a SACE guarantee of EUR 17.5 mln).

During the second quarter of 2025, two insurance policies were finalised with SACE S.p.A., covering 50% of the non-payment risk, in relation to documentary credit confirmation transactions in US dollars concluded by the Parent Company’s customers with foreign banks, for amounts of approximately USD 20.5 mln and USD 13.9 mln, respectively.

On 4 July 2025 and subsequently on 2 September 2025, the Credit Committee authorised, in favour of customers of the Parent Company not classified as related parties the granting of signature credit facilities totalling EUR 50.0 mln and the confirmation of a documentary credit for EUR 50.8 mln respectively, guaranteed by a SACE MPA policy (under the Master Participation Agreement), with coverage of 50% (approximately EUR 25.0 mln) and 30% (approximately EUR 15.0 mln), respectively.

On 12 August 2025, the Credit Committee authorised, in favour of customers of the Parent Company not classified as related parties, the granting of a medium-to-long-term loan of EUR 18.4 mln, as the Parent Company's share in a club deal totalling EUR 92.0 mln, with a 50% SACE guarantee providing partial coverage of certain loan lines.

On 19 September 2025 and subsequently on 22 October 2025, the following were authorised in favour of customers of the Parent Company not classified as related parties, respectively: (i) the granting of a loan of EUR 12.9 mln, as the Parent Company's share in a syndicated loan totalling EUR 38.7 mln, with SACE guarantee coverage of up to 25%; and (ii) the granting of a loan of EUR 10.0 mln, as the Parent Company's share in a syndicated loan totalling EUR 175.0 mln, with SACE guarantee coverage of up to 45.71%.

During the second half of 2025, 16 transactions were concluded with SACE S.p.A., for the benefit of customers of the Parent Company not classified as related parties, involving the issue of SACE Growth 70% guarantees exceeding EUR 10.0 mln, securing credit lines for their respective maximum amounts guaranteed by SACE S.p.A., totalling EUR 287.0 mln.

The above transactions fall within the scope of application of Consob Regulation no. 17221/2010, since SACE S.p.A. is a subsidiary wholly owned by the MEF.

On 17 June 2025, the Credit Committee resolved, in favour of customers of the Parent Company not classified as related parties, to subscribe to a syndicated loan of up to EUR 50.0 mln, as the Parent Company's share in syndicated credit lines totalling EUR 150.0 mln, in which CDP S.p.A. also participates with a EUR 20 mln share, backed by a SACE guarantee covering 70% of the Parent Company's share, equal to EUR 35.0 mln.

On 24 June 2025, the Credit Committee approved, for the benefit of customers of the Parent Company not classified as related parties, participation in a syndicated loan of up to EUR 25.0 mln, representing the Parent Company's share in syndicated credit lines totalling EUR 270.0 mln, in which CDP S.p.A. also participates with a EUR 28 mln share. The loan is backed by a SACE guarantee covering at least 50% of the Parent Company's share.

On 4 August 2025, the Credit Committee authorised, in favour of customers of the Parent Company not classified as related parties, the granting of a medium-to-long-term loan of EUR 30.0 mln, as the Parent Company's share in a syndicated loan totalling EUR 129.8 mln, with 70% SACE guarantee coverage providing partial cover for certain loan lines, in which CDP S.p.A. also participates as co-financier together with Banco BPM S.p.A. and three other banks.

On 7 October 2025, the Credit Committee authorised, in favour of customers of the Parent Company not classified as related parties, as part of the ordinary review of credit facilities, the Parent Company's participation with a maximum commitment of EUR 15.0 mln in a syndicated financing totalling EUR 100.0 mln, in which CDP S.p.A. also participates with a 15% share, divided into the following credit lines: (i) refinancing totalling EUR 50.0 mln, with the Parent Company's share of EUR 8.8 mln and acquisition of a SACE Growth 70% guarantee, with a 5-year term; and (ii) refinancing of EUR 50.0 mln, with the Parent Company's share of EUR 6.2 mln and acquisition of a SACE Growth 70% guarantee, with a 5-year term.

On 24 October 2025, the Credit Committee authorised, in favour of customers of the Parent Company not classified as related parties, an increase from EUR 9.2 mln to EUR 17.6 mln in the Parent Company's share in a syndicated financing totalling EUR 63.6 mln, with a 6-year term, covered by a SACE Growth 70% guarantee, in which CDP S.p.A. also participates as co-financier.

The above transactions fall within the scope of application of Consob Regulation no. 17221/2010 due to the involvement of CDP S.p.A., a subsidiary of the MEF, as a pool participant or co-financier, and SACE S.p.A. (guarantor), a wholly-owned subsidiary of the MEF.

On 11 February 2025, the Credit Committee authorised, on behalf of customers of the Parent Company that are not related parties, the participation of the Parent Company, up to a maximum of USD 140.0 mln, as a share of participation in a syndicated transaction of a total of USD 1.7 bn, usable as *Buyer's Credit* and aimed at the partial financing of two cruise ships commissioned to FINCANTIERI S.p.A., with CDP S.p.A. as co-financier, assisted, *inter alia*, by a SACE S.p.A. insurance policy covering 100% of the financing and with the intervention of SIMEST S.p.A. for the purposes of any stabilisation of the interest rate. The transaction falls within the application of Consob Regulation no. 17221/2010 due to the role of: (i) CDP S.p.A., a subsidiary of the MEF, as co-lender; (ii) SACE S.p.A., a wholly-owned subsidiary of the MEF, as guarantor in the insurance policy issuance; (iii) SIMEST S.p.A., a direct subsidiary of CDP S.p.A., which is in turn controlled by the MEF, as a participant for the purposes of any interest rate stabilisation, and (iv) FINCANTIERI S.p.A., a subsidiary of CDP Equity S.p.A., which is controlled by CDP S.p.A., in turn controlled by the MEF.

On 27 March 2025, the Board of Directors, with the favourable opinion of the Related Party Transactions Committee, resolved to approve a major transaction relating to the approval of a framework resolution amounting to EUR 1.0 bn for the Parent Company's operations with SACE S.p.A. ('DQSACEFUTURO2025'), aimed at obtaining financial guarantees

issued by SACE under the SACE Futuro 2025 Agreement (referred to by SACE as the 'Growth Standard Guarantee Agreement'). This agreement has unified the operations envisaged by the "SACE Green New Deal 2024" and "Garanzia Futuro 2024" agreements, which ended their accumulation period on 31 March 2025. The SACE Futuro 2025 Guarantee covers 70% of the financed amount as the maximum cumulative amount of the Futuro 2025 Guarantees issued by SACE, against the total amount of financing in the period of validity. The financing guaranteed by the SACE Futuro 2025 agreement is aimed at supporting the development of companies on global markets and of "made in Italy" in technological innovation and digitalisation processes, supporting investments in infrastructure, strategic supply chains and economically disadvantaged areas, in investment projects for the development of female entrepreneurship, with a particular focus on initiatives linked to the NRRP. The DQSACEFUTURO2025 is valid for a period of 12 months from the date of subscription by the parties of the special terms and conditions applicable to the loans. It applies only to the Parent Company MPS, not at Group level. The transaction falls within the scope of Consob Regulation no. 17221/2010 as SACE S.p.A. is a company wholly owned by the MEF and on 3 April 2025 the Information Document was published, drawn up pursuant to art. 5 of Consob Regulation no. 17221/2010, to which reference is made for further details.

On 29 July 2025, the Credit Committee authorised, in favour of customers of the Parent Company not classified as related parties, the granting of a medium-to-long-term loan of EUR 28.8 mln, as the Parent Company's share in a syndicated loan totalling EUR 89.58 mln, with 70% SACE guarantee coverage. The transaction falls within the scope of application of Consob Regulation no. 17221/2010 due to the involvement of CDP S.p.A., a subsidiary of the MEF, as a participant in the syndicated loan together with Banco BPM S.p.A. and Mediocredito Centrale S.p.A., and SACE S.p.A. (guarantor), a wholly-owned subsidiary of the MEF.

(ii) Transactions with other MEF related parties

On 6 January 2025, the framework agreement was signed for management of the medical expense reimbursement programme for 2025 for the Parent Company's employees in service and staff enrolled in the Parent Company's Solidarity Fund, through an insurance policy with POSTE ASSICURA S.p.A., via CASPIE (a healthcare assistance fund registered in the Register of Healthcare Funds), for a maximum total value of EUR 31.6 mln.

On 17 December 2025, the Board of Directors authorised expenditure totalling EUR 28.9 mln and the related signing of the agreement for management of the medical expense reimbursement programme for 2026, for the benefit of the Parent Company MPS employees in service and staff enrolled in the Solidarity Fund of the Parent Company MPS, through an insurance policy with POSTE ASSICURA S.p.A., via CASPIE (a healthcare assistance fund registered in the Register of Healthcare Funds).

The aforementioned transactions fall within the scope of application of Consob Regulation no. 17221/2010 as POSTE ASSICURA S.p.A. is a subsidiary of Poste Italiane S.p.A., which is in turn controlled by the MEF.

On 4 June 2025, participation was authorised, in favour of customers of the Parent Company not classified as related parties, in a medium-to-long-term loan of EUR 32.1 mln, as the Parent Company's share in syndicated credit lines totalling EUR 96.5 mln, in which CDP S.p.A. also participates with a EUR 32.1 mln share.

On 18 June 2025, as part of the placement of Covered Bonds, with a 5-year maturity, finalised by the Parent Company for a total of EUR 750.0 mln, CDP S.p.A. - pursuant to Art. 5, paragraph 8-ter of Italian Law Decree no. 269/2003, converted into Law no. 326/2003 in compliance with art. 6, paragraph 1.b) of Italian Law Decree no. 102/2013 - subscribed this issue for a total of EUR 180.0 mln. The residual amount was placed with other institutional investors.

On 15 July 2025, the Credit Committee authorised, in favour of customers of the Parent Company not classified as related parties, the subscription of a EUR 100.0 mln share in a syndicated transaction totalling EUR 1,716.0 mln, in which CDP S.p.A. also participates with a 7% share.

On 11 November 2025, the Credit Committee authorised, in favour of customers of the Parent Company not classified as related parties, the granting of a project financing loan of EUR 20.0 mln, as the Parent Company's share in a syndicated financing totalling EUR 40.0 mln, equal to the participation share of CDP S.p.A.

As part of the placement of the first issue of Green Senior Preferred Unsecured bonds, with a maturity of 6 years and 3 months (maturity February 2032), completed by the Parent Company on 20 November 2025 for a total amount of EUR 500.0 mln, CDP S.p.A. subscribed a tranche of the issue for an amount of EUR 40.0 mln, the proceeds of which will be used to implement initiatives with a positive environmental impact, in compliance with the Parent Company's Green, Social and Sustainability Bond Framework. The residual amount was placed with other institutional investors.

The above transactions fall within the scope of application of Consob Regulation no. 17221/2010, as the MEF is the majority shareholder of CDP S.p.A. (participant in the syndicated financing).

On 5 February 2025, the Board of Directors resolved in favour of SAIPEM S.p.A., as part of the ordinary review of credit lines: (i) the increase from EUR 135.0 mln to EUR 175.0 mln of the existing mixed revolving credit line, usable up to the entire amount for the issue of Italian/foreign unsecured loans and for the release of documentary credit commitments; (ii) confirmation of the syndicated credit line with other credit institutions of EUR 650.0 thousand; (iii) the confirmation of the without recourse risk limit line of EUR 2.5 mln; (iv) the participation of the Parent Company, with a maximum share of EUR 75.0 mln, in the syndicated revolving credit facility 2025 of a total of EUR 600.0 mln. Subsequently, on 4 March 2025, the Credit Committee authorised: (i) the increase from EUR 175.0 to 204.0 mln of the aforementioned revocable mixed credit line in place; (ii) the reduction from EUR 75.0 to 46.0 mln of the Parent Company's shareholding in the aforementioned revolving credit facility 2025 for a total of EUR 600.0 mln. The transactions fall within the scope of Consob Regulation no. 17221/2010 as SAIPEM S.p.A. is indirectly controlled by the MEF, through the companies ENI S.p.A. and CDP Equity S.p.A., which in turn are controlled by the MEF.

On 11 February 2025, the Credit Committee authorised ENEL S.p.A. to join the Parent Company in a syndicated multi-borrower sustainability linked revolving credit facility, for a total amount between EUR 10.0 and 13.5 mln, with a duration of 5 years. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, as ENEL S.p.A. is a subsidiary of the MEF.

On 25 February 2025, the Credit Committee authorised the ordinary review of the credit facilities for a total of EUR 170.0 mln in favour of FERROVIE DELLO STATO S.p.A., with confirmation of the following credit lines: (i) a revocable mixed credit line of EUR 20.0 mln; (ii) *risk limit without recourse* of EUR 125.0 mln, applicable to third-party assignors, backed by insurance coverage equal to 95%, and (iii) *notional limit with recourse* of EUR 25.0 mln, payable to assignors subject to positive assessment and resolution. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since FERROVIE DELLO STATO S.p.A. is a wholly-owned subsidiary of the MEF.

Also on 25 February 2025, the Credit Committee authorised the ordinary review of credit lines in favour of ANAS S.p.A. for a total amount of EUR 205.0 mln; the operation involves the confirmation of the following existing credit lines: (i) EUR 120.0 mln usable through the opening of a current account credit; (ii) EUR 20.0 mln of signature credits, used for the issuing of a foreign guarantee; (iii) EUR 40.0 mln of without recourse risk limit credit, usable against third-party transferors and suppliers, and (iv) EUR 25.0 mln of notional with recourse risk limit. These transactions fall within the scope of application of Consob Regulation no. 17221/2010, since ANAS S.p.A. is a wholly-owned subsidiary of Ferrovie dello Stato S.p.A., in turn controlled by the MEF.

On 25 February 2025, the Credit Committee also authorised the granting of a loan of up to EUR 30.0 mln to customers of the Parent Company who are not related parties, as the Parent Company's share of a syndicated loan totalling EUR 135.0 mln, in which CDP S.p.A. and Mediocredito Centrale S.p.A. also participate. The granting of the syndicated loan is subject to the granting of a 50% SACE guarantee. The transactions fall within the scope of application of Consob Regulation No. 17221/2010, both because the MEF is the majority shareholder of CDP S.p.A. and the indirect parent company of Mediocredito Centrale S.p.A. (a participant in the syndicated financing), and because SACE S.p.A. (the guarantor) is a wholly-owned subsidiary of the MEF.

On 4 March 2025, the Credit Committee authorised the granting of two mortgage loans for a total of up to EUR 30.0 mln to two companies belonging to the Parent Company's customer group that are not related parties, as participation shares of the Parent Company in two syndicated loans for a total of EUR 143.4 mln, in which AMCO ASSET MANAGEMENT COMPANY S.p.A. also participates. The transaction falls within the scope of Consob Regulation No. 17221/2010 as AMCO ASSET MANAGEMENT COMPANY S.p.A. is a subsidiary of the MEF.

On 11 March 2025, the Credit Committee authorised the participation of the Parent Company, with a maximum share of EUR 125.0 mln, in a debt package of a total of EUR 675.0 mln, in favour of BIDCO SPARKLE S.p.A. (a company to be established), structured along the following lines: (i) term loan facility for a total of EUR 450.0 mln, with the Parent Company's share amounting to EUR 83.3 mln; (ii) capex facility totalling EUR 200.0 mln, of which the Parent Company's share amounts to EUR 37.0 mln; (iii) revolving credit facility for a total of EUR 25.0 mln, with the Parent Company's share amounting to EUR 4.6 mln. The transaction falls within the scope of Consob Regulation no. 17221/2010 as BIDCO SPARKLE S.p.A. (a company to be incorporated) will be controlled with a share equal to 70% by the MEF.

On 18 March 2025, the Credit Committee authorised in favour of POSTE ITALIANE S.p.A., within the ordinary review of the credit facilities totalling EUR 120.0 mln: (i) confirmation of the mixed credit line for a total of EUR 20.0 mln that can be used for forward draws and the issuing of guarantees in Italy; (ii) new without recourse risk limit concession of EUR 30.0 mln to be paid to transferors subject to positive evaluation and resolution, supported by an insurance policy with coverage equal to 95% of the risk limit ceiling; (iii) a ceiling of EUR 70.0 mln for financial operations, as an internal operating limit. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since the MEF has a controlling interest in POSTE ITALIANE S.p.A.

On 27 March 2025, the Board of Directors authorised AUTOSTRADE PER L'ITALIA S.p.A., within the scope of the ordinary review of the contracts, to confirm, *inter alia*, the following contracts: (i) a mixed credit line of EUR 20.0 mln that can be used as a current account credit facility; (ii) *notional with recourse limit* of EUR 20.0 mln, to be drawn on transferors subject to positive evaluation and resolution; (iii) *without recourse risk limit* of EUR 20.0 mln, applicable to transferors subject to positive assessment and resolution, backed by full insurance coverage. The transaction falls within the scope of Consob Regulation no. 17221/2010 as AUTOSTRADE PER L'ITALIA S.p.A. is indirectly controlled by CDP Equity S.p.A., which in turn is controlled by CDP S.p.A., the latter in turn controlled by the MEF.

On 24 April 2025, the ordinary review of good-till-cancelled credit facilities in favour of SO.G.I.N. S.p.A. was authorised with confirmation of the two mixed credit lines in place for a total of EUR 19.9 mln, which can be used for the issue of unsecured loans for EUR 18.9 mln and EUR 1.0 mln that can be used for forex hedging. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since SO.G.I.N. S.p.A. is a wholly-owned subsidiary of the MEF.

On 29 April 2025, the Credit Committee authorised, for the benefit of TERNA S.p.A., in the context of the ordinary review of credit lines, an increase in the without recourse risk limit from EUR 14.8 mln to EUR 30.0 mln, applicable to third-party assignors; the risk limit ceiling is backed by an insurance policy providing full coverage and may be used jointly by TERNA S.p.A. and other entities included in its full consolidation scope. The transaction falls within the scope of application of Consob Regulation No. 17221/2010 as TERNA S.p.A. is indirectly controlled by CDP S.p.A., which is in turn controlled by the MEF.

On 29 July 2025, the Credit Committee authorised, in favour of INFRASTRUTTURE E TELECOMUNICAZIONI PER L'ITALIA S.p.A. ("INFRATEL S.p.A."), the ordinary review of credit lines with an increase in the credit facilities on the following terms: (i) extension and confirmation of the revocable credit line for large financial transactions of EUR 8.0 mln, usable both for term draws and for the payment of supplies, and (ii) the granting of a new unsecured loan of EUR 10.0 mln, with a 5-year term, aimed at the payment of trade and tax debt. The transaction falls within the scope of application of Consob Regulation no. 17221/2010 as INFRATEL S.p.A. is 100% controlled by Invitalia S.p.A., which is in turn wholly owned by the MEF.

On 29 September 2025, a current account credit facility was authorised in favour of the investment funds FOF PRIVATE DEBT ITALIA and FOF PRIVATE EQUITY ITALIA, of EUR 20.0 mln and EUR 35.0 mln, respectively, both valid until revoked. The transactions fall within the scope of application of Consob Regulation No. 17221/2010 because FOF PRIVATE DEBT and FOF PRIVATE EQUITY ITALIA, closed-end Italian alternative investment funds reserved for professional investors, are managed by Fondo Italiano di Investimento SGR S.p.A., which is 55% owned by CDP EQUITY S.p.A., a wholly-owned subsidiary of CDP S.p.A., which in turn is controlled by the MEF.

Also on 29 September 2025, the following were authorised in favour of HOTELTURIST S.p.A., as part of the ordinary review of credit facilities: (i) the increase from EUR 6.0 mln to EUR 8.0 mln of the revocable credit line, usable for the issuing of guarantees in Italy/abroad; (ii) the Parent Company's participation up to a maximum of EUR 10.0 mln in a syndicated financing totalling EUR 51.8 mln; and (iii) a credit line of approximately EUR 0.4 mln to hedge the interest rate risk relating to the new syndicated financing. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since HOTELTURIST S.p.A. is 45.95% owned by CDP Equity S.p.A., the latter in turn being wholly controlled by CDP S.p.A., which is in turn controlled by the MEF.

In October, Mediobanca renewed the EUR 100 mln credit facility limit with ANAS S.p.A., which was due to expire, for a further 12 months, to be used on a revolving basis for bilateral loans with a maximum maturity of 12 months. These transactions fall within the scope of application of Consob Regulation no. 17221/2010, since ANAS S.p.A. is a wholly-owned subsidiary of Ferrovie dello Stato S.p.A., in turn controlled by the MEF.

On 27 October 2025, authorisation was granted in favour of CONSIP S.p.A., as part of the ordinary review of credit facilities totalling EUR 10.6 mln, for confirmation of the EUR 10.0 mln credit line usable as a current account credit facility, and the risk limit credit line of EUR 0.6 mln for outright receivables purchase transactions, backed by a 95% guarantee. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since CONSIP S.p.A. is a wholly-owned subsidiary of the MEF.

On 5 November 2025, authorisation was granted in favour of SO.G.I.N. S.p.A., as part of the ordinary review of credit facilities totalling EUR 19.9 mln, for confirmation of the EUR 18.9 mln credit line, usable for the issuing of signature credits, and the EUR 1.0 mln credit line, usable for foreign exchange risk hedging transactions. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since SO.G.I.N. S.p.A. is a wholly-owned subsidiary of the MEF.

In December, Mediobanca resolved cash and/or signature credit facilities of EUR 85 mln to refinance the 2023 club deal totalling EUR 510 mln in favour of ENAV S.p.A. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, as ENAV S.p.A. is a subsidiary of the MEF.

On 2 December 2025, the Credit Committee authorised, in favour of OPEN FIBER HOLDINGS S.p.A. the increase of the *without recourse risk limit ceiling* from EUR 50.0 mln to EUR 100.0 mln for factoring operations, applicable to assignors subject to positive assessment and resolution, with insurance coverage from a leading insurer and SACE BT. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since OPEN FIBER HOLDINGS S.p.A. is a subsidiary of CDP Equity S.p.A., in turn controlled by the MEF.

On 16 December 2025, the Credit Committee authorised, in favour of FINCANTIERI S.p.A., as part of the ordinary review of credit facilities, the extension with confirmation and partial re-modulation of the following credit lines totalling EUR 390.1 mln, with internal validity until December 2026: (i) a mixed credit line of EUR 70.0 mln usable for cash/signature, (ii) EUR 0.1 mln for the issuing of guarantees, (iii) a factoring without recourse risk limit ceiling of EUR 150.0 mln, (iv) a factoring notional limit with recourse of EUR 50.0 mln, and (v) an operating limit for receivables purchase of EUR 120.0 mln. The transaction falls within the scope of application of the Consob Regulation no. 17221/2010 as FINCANTIERI S.p.A. is a company controlled by CDP Equity S.p.A., which is controlled by CDP S.p.A., in turn controlled by the MEF.

Also on 17 December 2025, the Board of Directors, having obtained the favourable opinion of the Committee for Related Party Transactions, authorised in favour of ENI S.p.A. the ordinary review of credit facilities totalling EUR 612.5 mln, with confirmation of the following credit lines: (i) a mixed revocable credit line of EUR 300.0 mln, usable up to the full amount for cash/signature transactions; (ii) an operating limit for revolving receivables purchase totalling EUR 240.0 mln; (iii) confirmation of the factoring without recourse risk limit ceiling of EUR 62.5 mln, backed by full insurance coverage, usable by companies belonging to the ENI Group; and (iv) a factoring notional limit with recourse of EUR 10.0 mln. The overall transaction falls within the scope of application of Consob Regulation no. 17221/2010 as ENI S.p.A. is a subsidiary of the MEF.

During the last quarter, note the increased utilisation of the REPO line granted by subsidiary Mediobanca in favour of counterparty Patrimonio Banco Posta, with the outstanding amount at end-December standing at approximately EUR 200 mln. The transaction falls within the scope of application of Consob Regulation no. 17221/2010 as POSTE ITALIANE is controlled by the MEF, directly and indirectly through CDP.

Finally, Mediobanca renewed a revolving credit line granted in favour of LEONARDO S.p.A. As at 31 December 2025, the line amounted to EUR 47.5 mln, with maturity scheduled for 7 October 2026. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, as LEONARDO S.p.A. is a subsidiary of the MEF.

Also during the last quarter of 2025, Mediobanca issued a Fairness Opinion in favour of the related party SNAM S.p.A. regarding the completion of a transaction for the acquisition of the 48% stake held by the Igneo Infrastructure Partners fund in OLT Offshore LNG Toscana. The transaction falls within the scope of application of Consob Regulation no. 17221/2010 as SNAM S.p.A. is controlled by CDP, in turn controlled by the MEF.

Finally, Mediobanca was appointed financial adviser to counterparty TREVI to assist in the search for new debt financial resources to support the Group's business plan and/or intended to refinance all or part of the Group's financial indebtedness. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, as TREVI is a subsidiary of the MEF.

Transactions with other related parties

On 8 May 2025, the Board of Directors, having obtained the favourable opinion of the Related Party Transactions Committee, approved, in favour of IMMOBILIARE NOVOLI S.p.A. and its subsidiary SANDONATO S.r.l., both part of the GRUPPO NOVOLI, the Parent Company's adherence to a Restructuring Agreement ("Agreement") pursuant to Article 56 of the Italian Corporate Crisis and Insolvency Code ("CCII"), proposed by GRUPPO NOVOLI as part of the implementation of the 2025-2028 industrial plan ("Plan") following a negotiated crisis settlement procedure pursuant to Article 12 et seq. of the CCII. The Parent Company's financial contribution to the Agreement includes the waiver of a portion of its receivables, totalling EUR 10.0 mln, with a provision for the distribution of *earn-outs* at the end of the Plan period, to fully recover the waived amount. The Parent Company's total exposure subject to the restructuring plan amounts to EUR 80.9 mln. The transaction falls within the scope of application of Consob Regulation No. 17221/2010, as IMMOBILIARE NOVOLI S.p.A. is a jointly controlled entity of the Parent Company, which holds a 50% stake in its share capital, and SANDONATO S.r.l. is wholly owned by IMMOBILIARE NOVOLI S.p.A.

On 17 December 2025, the Parent Company's Board of Directors, with the favourable opinion of the Related Party Transactions Committee, approved the conclusion of a transaction with Fabbrica Immobiliare SGR S.p.A., to be carried

out in 2026 through the assignment to the Parent Company of an arranging mandate to define the financial structure of the transaction and the granting of a medium-to-long-term mortgage loan of approximately EUR 50.8 mln (together with a related credit facility for derivatives used to hedge the interest rate on the loan itself). The overall transaction falls within the scope of application of Consob Regulation no. 17221/2010, as Fabbrica Immobiliare SGR S.p.A. (a related party), which operates with the beneficiary counterparty to the transaction (customers of the Parent Company not classified as related parties), is controlled by Knight of Lab Eng. Francesco Gaetano Caltagirone, in his capacity as influential shareholder of BMPS pursuant to art. 53 of the Consolidated Banking Law (TUB) and as a discretionary Consob related party pursuant to Consob Regulation no. 17221/2010, who is in turn a close family member of Alessandro Caltagirone, a Director of the Parent Company.

With reference to the voluntary public tender and exchange offer (the “Offer” or “OPAS”) pursuant to articles 102 and 106, paragraph 4, of Italian Legislative Decree no. 58 of 24 February 1998, as amended (the Italian Consolidated Law on Financial Intermediation, “TUF”), promoted by Banca MPS for all the shares of MEDIOBANCA - Banca di Credito Finanziario Società per Azioni (“Mediobanca”), it should be noted that the Committee for Related Party Transactions considered that it had jurisdiction over the transaction based on an approach of maximum transparency and fairness, in view of the significance of the transaction, given that certain shareholders with significant stakes in Banca MPS exceeding 3% (Delfin S.a.r.l. and Knight of Lab Eng. Francesco Gaetano Caltagirone), at that time classified as Consob “related parties” of BMPS on a discretionary basis, also held significant shareholdings in Mediobanca. Accordingly, the Committee issued its reasoned and binding opinion both on the substantive and procedural fairness of the Offer and, in particular, of the capital increase serving the OPAS (the “Initial Opinion”), and on the subsequent increase in the initial consideration of the Offer (the “Increase in Consideration”) with a cash component (the “Updated Opinion”).

Pursuant to art. 4.2.2 of the Group Regulation, the capital increase serving the Offer was classified as a “major transaction” and on 30 January 2025 the Information Document was published, drawn up pursuant to art. 5 of Consob Regulation no. 17221/2010; the Information Document updated following the Increase in Consideration was published on 1 September 2025.

For further information, please refer to the information documents mentioned above and made available to the public on BMPS’s website (<https://www.gruppompis.it/>).

The following tables summarise relationships and the economic effects of the operations carried out during the year with joint ventures, associates, key management personnel, other related parties and companies falling within the related-party perimeter of the MEF as influential shareholder of the Parent Company.

2.a Related-party transactions: balance sheet items

	Value as at 31 12 2025						
	joint venture	Associated companies	key management personnel	Other related parties	MEF Scope	Total	% on consolidated
Financial assets held for trading	-	16,405	-	4,107	8,558,341	8,578,853	36.12%
Financial assets designated at fair value	-	-	-	-	31,608	31,608	2.10%
Financial assets mandatorily measured at fair value	-	7,630	-	-	11,784	19,414	1.77%
Financial assets measured at fair value through other comprehensive income	-	-	-	-	3,539,030	3,539,030	50.80%
Loans to banks measured at amortised cost	-	240	-	-	7,002	7,242	0.08%
Loans to customers measured at amortised cost	46,030	106,051	2,544	106,645	14,399,215	14,660,485	9.25%
Other assets	-	13,074	-	-	1,221,735	1,234,809	20.36%
Total assets	46,030	143,400	2,544	110,752	27,768,715	28,071,441	
Financial liabilities measured at amortised cost	7,486	218,695	4,363	32,796	3,452,701	3,716,041	2.00%
Financial liabilities held for trading	-	10,046	-	-	236,277	246,323	2.19%
Financial liabilities designated at fair value	-	247,560	-	-	-	247,560	4.36%
Other liabilities	-	4,141	1	2	10,349	14,493	0.34%
Total liabilities	7,486	480,442	4,364	32,798	3,699,327	4,224,417	
Guaranties issued and Commitments	12,053	96,054	181	20,890	3,797,322	3,926,500	n.a.

2.b Related-party transactions: income statement items

	Value as at 31 12 2025						
	joint venture	Associated companies	key management personnel	Other related parties	MEF Perimeter	Other related parties	% on consolidated
Interest income and similar revenues	390	3,174	59	3,577	490,020	497,220	10.74%
Interest costs and similar charges	-	1,818	64	280	53,683	55,845	2.68%
Fee and commission income	86	218,906	8	24	25,535	244,559	11.70%
Fee and commission expense	-	487	2	1	2,949	3,439	1.10%
Dividends	-	410	-	-	4,090	4,500	11.76%
Net profit (loss) from hedging	-	4,656	-	281	(156,441)	(151,504)	0.00%
Net profit (loss) from fair value measurement of assets/liabilities	-	-	-	-	(128,721)	(128,721)	0.00%
Net adjustments/impairments	-	-	-	-	24,454	24,454	22.99%
Dividends	(5,455)	(17)	1	(299)	(611)	(6,381)	0.78%
Net income from banking and insurance activities	-	-	-	7	-	7	0.00%
Operating costs	-	6,326	11,725	24	20,199	38,274	1.71%

For the list of joint venture and associated as at 31 December 2025, see the tables of the Notes to the Financial Statements – Part B – Information on the balance sheet – Section 7.

Transactions with associates mainly refer to AXA Group companies and Assicurazioni Generali Group companies. In particular, it should be noted that financial assets and liabilities held for trading mainly relate to hedging activity on AXA Group insurance products distributed through the MPS network, as well as to the normal conduct of dealer activity in bond markets.

The securitisation transactions are described in Part E of these Notes to the financial statements. With regard to the balances shown in Table 2.b shown above, please note the following:

- Fee and commission income from associates mainly relates to the insurance investees Axa MPS Assicurazioni Vita S.p.A. and Axa MPS Assicurazioni Danni S.p.A. as well as to Generali Group companies;
- Operating costs relating to associates consist of insurance costs incurred with these associated companies.

With regard to the MEF scope, note the following:

- financial assets mainly consist of government bonds, which generated interest income for EUR 338.3 mln;
- the other assets consist of tax credits held by the Group on the tax authorities for various reasons as a result of the measures introduced by various legal provisions, of which EUR 1,175.0 mln due to tax credits for construction subsidies purchased by the Parent Company, which boosted the interest income item by EUR 101.0 mln;
- financial liabilities measured at amortised cost mainly refer to deposits with counterparty CDP for EUR 755.0 mln, Invitalia for EUR 920.0 mln, the MEF for EUR 400.0 mln, Sace for EUR 50.0 mln and ENAV for EUR 81.8 mln, which overall impact interest expense by EUR 36.9 mln;
- fee and commission income mainly relates to the Parent Company's support activity for Government securities placement auctions, as well as to placement activity carried out for Enel Energia;
- profit (loss) from other assets and liabilities measured at fair value through profit or loss mainly relate to capital losses on units of the Fondo Italiano di Investimento;
- operating costs are almost entirely attributable to postage and shipping costs.

Part I – Share-Based Payment Agreements

Qualitative Information

Description of share-based payments agreement

To pursue the objective of encouraging alignments of the interests of management with those of shareholders, Supervisory Provisions on remuneration and incentive policies and practices establish that at least 50% of variable remuneration provided to “identified staff” should be paid in the form of shares or associated financial instruments over a period of at least 4 years. “Variable remuneration” refers to both variable components linked to the performance or other parameters and amounts paid as incentives for the early termination of the employment relationship exceeding the amount due by law (“severance”).

In accordance with the aforementioned regulatory provisions, the MONTEPASCHI GROUP has adopted annual *phantom shares* plans in the financial years 2017, 2020, 2021, 2022, 2023 and 2024¹³⁹, and annual treasury shares plans in the financial years 2018 and 2019.

In the session of 17 April 2025, the Shareholders’ Meeting of the Parent Company approved a Phantom Shares Plan for 2025, designated exclusively to the payment of any severance or variable incentive remuneration for the staff of the Montepaschi Group. The contents and the operating procedures of these plans are included in the “Remuneration policies” posted on the website of the Parent Company <https://www.gruppompaschi.it/corporate-governance/assemblee-azionisti/archivio-assemblee.html>.

The payment of *Phantom Shares* for the plans up to 2017 and for the plans from 2020 to 2025, not involving the actual assignment of shares but rather the settlement of an amount indexed to the share value as determined from time to time, is accounted for as a *cash settled share based payment* pursuant to IFRS 2 “Share-based payments”. The debt corresponding to the amounts to be recognised will be settled in cash and accounted for at the end of the year of service; the total amount will depend on the price of the instruments representative of the capital (phantom shares) which will be measured at fair value, calculated as the best estimate of the amount due in consideration of the different conditions established by the plans, valued with regard to the fair value of the shares of the Bank assigned from year to year and the value of the Parent Company’s shares. The estimate of the fair value of the share, at the measurement date, will not take into account any expected vesting conditions (e.g. condition of permanence in service or conditions for the achievement of results), except for market conditions. The vesting conditions should be taken into consideration by adjusting the number of assignments included in the assessment of the liability arising from the transaction; the market conditions (as with any other non-accrual-related conditions) should instead be considered in the estimate of the liabilities fair value arising from the transaction and of the related cost attributed to the Income Statement.

The 2018 and 2019 plans, providing for the assignment of shares of the Parent Company at the accrual time of the vesting conditions, fall within the scope of the application of the IFRS 2 accounting standard as equity settled share-based payments, in the context of which the instruments representative of the capital are attributed as an offsetting entry to an equity reserve. Within this scope, the severance cost set forth in the Plans and the corresponding increase in net equity are measured at the fair value of the shares that will be assigned; the estimate of the fair value of the share at the measurement date will not need to take into account any expected vesting conditions (e.g. condition of permanence in service or conditions for the achievement of results), except for market conditions. The vesting conditions should be taken into consideration by adjusting the number of financial instruments included in the measurement of the amount of the transaction so that the value recognised in the financial statements for the services received as a consideration for the financial instruments will be based on their number which, at the end, will actually be accrued; the market conditions should instead be considered in the estimate of the fair value of the assigned shares.

The fair value of the Phantom Shares and of the treasury shares assigned is determined – pursuant to art. 9, paragraph 4 of the Income Tax Act (TUIR) – on the basis of the arithmetic average of the MPS share prices reported in the thirty days leading up to the assignment date.

Mediobanca has also identified the opportunity to adopt incentive plans in financial instruments with the objective both of complying with banking regulations, which provide for the payment of a portion of variable remuneration in equity instruments over a multi-year horizon subject to performance conditions, and of aligning management’s interests with those of shareholders with a view to creating value over the medium to long term. In this context, Mediobanca adopts performance share plans which, under certain conditions, provide for the free allocation of shares to be granted at the end of a vesting and/or holding period, as well as long-term incentive plans (LTI – Long Term Incentive) linked to the achievement of the objectives of the business plan. Pursuant to IFRS 2, these plans qualify as “*equity settled*” plans, i.e.

¹³⁹ It should be noted that, although the characteristics and operation remain unchanged, with a view to greater alignment with market practices, the name of the synthetic instrument was changed from “Performance Shares” (name used by the Bank until 2022) to “Phantom Shares”.

settled in equity instruments, to be recognised on the basis of the *fair value* of the employee services received. The value of the services received is measured by reference to the fair value of the equity instruments at the grant date and is recognised, based on the accrual principle relating to the service provided, under personnel expenses with a corresponding increase in equity reserves until the maturity date of the plan, so as to reflect the best estimate of the number of shares that will vest. Service conditions and performance targets are not taken into account in determining the fair value of the instruments granted; the probability of achieving such targets is estimated and contributes to determining the number of instruments that will vest. Any market conditions are included in determining the fair value.

On 26 June 2025, the Board of Directors of Mediobanca, in implementation of the provisions of the plan regulations and in line with market practice, resolved, in the event of completion of the Monte dei Paschi public exchange offer, to replace with a cash amount the shares assigned to the beneficiaries of all performance share plans, including the 2019–2023 and 2023–2026 LTI – Long Term Incentive Plans (closed early on the date of completion of the OPAS). Following completion of the OPAS (11 September 2025), the amendments to the plans became effective, and the plans were accelerated pursuant to IFRS 2 “Share-based payments” and converted into a liability towards the beneficiaries to be settled in cash, in accordance with the original vesting schedule. At the same time, certain conditions for the granting of deferred remuneration were amended, in compliance with regulatory provisions.

With regard to Mediobanca subsidiaries and their incentive plans based on equity instruments:

- Messier et Associés has in place a free shares plan covering up to 10% of its share capital, to be granted to employees upon promotion and/or for retention purposes and which, after the vesting period (not exceeding 2 years) and a further one-year holding period, are sold back to Mediobanca, which settles the consideration in its own shares. As at 31 December 2025, awards are in place for 12,550 shares, of which 1,000 are exercisable, 3,550 are subject to a holding period and 8,000 are under vesting.
- Polus Capital Management Group has in place an investment plan for employees for retention purposes, enabling them to purchase special shares in the company which, after a vesting period (maximum 3 years) and upon achievement of certain performance targets, may be sold to Mediobanca, which settles the consideration through its own shares. As at 31 December 2025, no. 45,529 special shares had been allocated, of which 25,266 were already exercisable.

Quantitative Information

With reference to the Parent Company's 2023 plan, in relation to amounts to be paid as severance, as at 31 December 2025, of the original no. 44,998 phantom shares, the Bank liquidated during the year no. 30,823 of these for a countervalue at the settlement date of EUR 0.2 mln. Accordingly, 14,175 remain to be paid in accordance with the terms and procedures set out in the deferral plan signed upon the early termination of the employment relationship between an executive and the Parent Company. Also with reference to the 2023 plan, in relation to amounts to be paid under the 2023 incentive scheme, 503,439 phantom shares remain for a countervalue as at 31 December 2025 of EUR 4.2 mln, the disbursements of which will take place in accordance with the signed deferral plans, differentiated according to the relevant PPR cluster.

With reference to the Parent Company's 2024 plan, in relation to amounts to be paid as severance, as at 31 December 2025, 68,987 phantom shares remain for a countervalue, as at 31 December 2025, of EUR 0.6 mln, the disbursements of which will take place in accordance with the terms and procedures set out in the deferral plans signed upon the early termination of the employment relationship between two executives and the Parent Company. Also with regard to the 2024 plan, 330,117 phantom shares were utilised, for an amount as at 31 December 2025 of EUR 2.8 mln, intended for the payment of the incentive system pertaining to the 2024 financial year, the disbursements of which will be made in accordance with the procedures set out in the signed deferral plans and differentiated according to the PPR cluster of membership.

With reference to the “cash-settled” 2017, 2020, 2021 2022 plans and the “equity settled” 2018 and 2019 plans, it should be noted that neither equity instruments nor shares were ever allocated, respectively, due to failure to meet the vesting conditions. Therefore, these plans have never entailed accounting entries and are therefore not represented in the Financial Statements as at 31 December 2025.

In relation to Mediobanca, following the early closure of all plans, no. 6,122,932 shares (including the performance shares assigned on 31 July as part of variable remuneration for the 2025 financial year) were converted into a cash amount of EUR 122 mln, corresponding to the average value of the Mediobanca share calculated during the period of acceptance of the BMPS Offer (EUR 19.9216). The conversion was recognised:

- in the income statement for the component originally calculated at the grant date but not yet recognised as an expense (EUR 19.0 mln);
- as a counterpart entry to equity for the difference between the original value and fair value (EUR 71.0 mln), together with the portion relating to social security contributions

for an overall impact of slightly more than EUR 100.0 mln, net of the discounting effect and the tax effect. The cash conversion of the performance shares also released Mediobanca from the commitment to deliver to employees 6.1 million shares already recognised in the financial statements among treasury shares (6.7 million shares recognised in negative reserves for approximately EUR 103 mln, with a current value of approximately EUR 124 mln).

Subsequent to 31 December 2025, as part of variable remuneration for the 2025 half-year financial period; Mediobanca applied the deferral rules laid down by regulatory provisions on payment in the issuer's listed shares, assigning no. 701,522 performance shares with a total notional cost of EUR 9.7 mln; the shares, subject to performance targets over a maximum time horizon of 5 years, will be made available in tranches in November 2026 (maximum 358,734), November 2027 (maximum 109,121), November 2028 (maximum 149,321); November 2029 (maximum 43,029); November 2030 (maximum 41,317).

Part L – Segment reporting

Montepaschi Group operations by business segment

For the purpose of identifying the Operating Segments provided for by IFRS 8, the Montepaschi Group has adopted the business approach. Consolidated income statement and balance sheet data are broken down and re-aggregated based on criteria including: business area concerned, operating structure of reference, relevance and strategic importance of activities carried out, and customer clusters served.

Following completion of the public tender and exchange offer launched by Banca Monte dei Paschi di Siena S.p.A. for Mediobanca – Banca di Credito Finanziario S.p.A., from 15 September 2025 the scope of the Montepaschi Group expanded, increasing the diversification of its business areas and reference markets, previously focused on the traditional retail & commercial banking services carried out mainly in Italy.

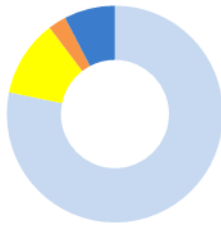
Within the presentation of results by Operating Segment, the Mediobanca Group—consolidated from the acquisition date—is shown as a separate business unit pending full integration, with the following clarifications:

- the effects of the acquisition of Mediobanca and its subsidiaries consolidated for the first time from 30 September 2025 have been recognised. It should be noted that, with reference to the income statement, the contribution of the Mediobanca Group accrues from the acquisition date and therefore relates to the October–December 2025 quarter;
- given the specific nature of the transaction, no adjustments have been made to the reclassified historical data to retroactively reflect the effects of the acquisition. Consequently, comparative figures for the previous year are not shown for the Mediobanca Group.

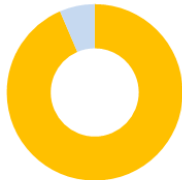
Based on the Group's reporting criteria, which also take into account the organisational structure and the above, the following operating segments are therefore defined, as well as the divisions of the Mediobanca Group:

- **Retail Banking** includes the economic and balance sheet results for Retail customers (Valore service models—including the Valore Famiglie and Valore POE segments – Premium and Premium Top) and Banca Widiba SpA (network of financial advisors and self-service channel).
- **Wealth Management**, which includes the income statement/balance sheet results of Private Banking customers (Private Banking and Family Office segments) and the subsidiary MPS Fiduciaria;
- **Corporate Banking**, which includes the Income statement and balance sheet results of enterprise customers (SME, Corporate Client and Small Business segments) and the Foreign Branches;
- **Large Corporate e Investment Banking**, which includes the income statement and balance sheet results of Large Corporate customers, and of the Corporate Finance and Investment Banking and Global Markets Business Units;
- **Corporate Centre**, which in addition to the offsetting of intragroup entries, incorporates the results of the following business centres:
 - Non-Performing customers managed centrally by the Non-Performing Loans Unit;
 - companies consolidated with the equity method and those held for sale;
 - operating units, such as proprietary finance, treasury and capital management;
 - service units supporting the Group's business, dedicated in particular to the management and development of IT systems.
- **Mediobanca Group**: which includes, in particular, the income statement results for the fourth quarter of 2025 and the balance sheet results as at 31 December 2025 for customers of the Wealth Management, *Consumer Finance* and *Corporate and Investment Banking* divisions of the recently acquired Mediobanca Group.

Retail Banking

Business areas	Customers																				
Retail MPS - Funding and provision of insurance products. - Lending. - Financial advisory services. - Electronic payment services. Banca Widiba - Banking products and services, deposit accounts, cards and advanced payment systems; customer operations in self-service mode through the Bank's digital channels or in assisted mode with the support of a Financial Advisor. - Fully customisable online platform that relies on a network of 578 Financial Advisors present throughout the country. - Funding and Global advisory services and financial planning through the advanced WISE platform and the skills of the Financial Advisor Network. - Mortgage loans, credit facilities and personal loans. - Innovative interaction through computers, smartphones, tablets, watches and TV.	Retail Banking customers number approximately 3.4 mln and include approximately 239,300 exclusive customers of Banca Widiba. The total number of Banca Widiba customers, including those shared with the Parent Company, is approximately 261,900, of which approximately 113,300 are on the Financial Advisors network channel, approximately 105,400 on the Self channel, and approximately 43,200 customers migrated from the MPS branch network. Breakdown by type  <table border="1"> <thead> <tr> <th>Type</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Value</td> <td>78.2%</td> </tr> <tr> <td>Premium</td> <td>11.5%</td> </tr> <tr> <td>Premium Top</td> <td>2.7%</td> </tr> <tr> <td>Widiba</td> <td>7.6%</td> </tr> </tbody> </table> Breakdown by geography  <table border="1"> <thead> <tr> <th>Geography</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>North East</td> <td>17.4%</td> </tr> <tr> <td>North West</td> <td>15.6%</td> </tr> <tr> <td>Centre</td> <td>35.5%</td> </tr> <tr> <td>South</td> <td>31.4%</td> </tr> </tbody> </table>	Type	Percentage	Value	78.2%	Premium	11.5%	Premium Top	2.7%	Widiba	7.6%	Geography	Percentage	North East	17.4%	North West	15.6%	Centre	35.5%	South	31.4%
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Wealth Management

Business areas	Customers																
- Funding, lending, provision of insurance products, financial and non-financial services to private customers. - Services and products for high-standing customers in the areas of wealth management, financial planning, consultancy on not strictly financial services (tax planning, real estate, art & legal advisory). - Fiduciary and trust services (through the subsidiary MPS Fiduciaria).	There are around 38,200 private customers. Breakdown by type  <table border="1"> <thead> <tr> <th>Type</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Private</td> <td>93.5%</td> </tr> <tr> <td>Family Office</td> <td>6.5%</td> </tr> </tbody> </table> Breakdown by geography  <table border="1"> <thead> <tr> <th>Geography</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>North East</td> <td>21.4%</td> </tr> <tr> <td>North West</td> <td>19.3%</td> </tr> <tr> <td>Centre</td> <td>38%</td> </tr> <tr> <td>South</td> <td>21.3%</td> </tr> </tbody> </table>	Type	Percentage	Private	93.5%	Family Office	6.5%	Geography	Percentage	North East	21.4%	North West	19.3%	Centre	38%	South	21.3%
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Corporate Banking

Business areas	Customers																	
- Lending and offering financial products and services to businesses, including through strategic partnerships with trade associations and Confidi (credit guarantee consortia), with Guarantee Institutions (including public) and Institutional Entities, through which funding is acquired at favourable terms. - Offering factoring for companies, artisans, professionals. - Custody and deposit services for dairy products on behalf of third parties (through the subsidiary Magazzini Generali Fiduciari di Mantova S.p.A., which is also authorised to issue documents of title to the merchandise, providing for easier access to bank lending).	About 117,400 Corporate customers of the Parent Company, directly followed by Corporate Banking.																	
	Breakdown by type  <table border="1"> <thead> <tr> <th>Type</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Small Business</td> <td>73.5%</td> </tr> <tr> <td>SMEs and other companies</td> <td>23.6%</td> </tr> <tr> <td>Corporate client</td> <td>2.8%</td> </tr> </tbody> </table> Breakdown by geography  <table border="1"> <thead> <tr> <th>Geography</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Centre</td> <td>37.2%</td> </tr> <tr> <td>South</td> <td>27.7%</td> </tr> <tr> <td>North East</td> <td>20.2%</td> </tr> <tr> <td>North West</td> <td>14.8%</td> </tr> </tbody> </table>	Type	Percentage	Small Business	73.5%	SMEs and other companies	23.6%	Corporate client	2.8%	Geography	Percentage	Centre	37.2%	South	27.7%	North East	20.2%	North West
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Large Corporate & Investment Banking

Business areas	Customers
- Credit intermediation for specialised follow-up; provision of tailor-made products and services from a coverage team perspective; cross fertilisation of competencies between group resources and corporate financial products and services, including through strategic collaboration with institutional actors. - Corporate finance: mid- and long-term lending, corporate finance and structured finance.	Approximately 1,200 Large Corporate customers of the Parent Company are directly supported by Large Corporate & Investment Banking.

Corporate Centre

The Corporate Centre includes:

- the income statement and balance sheet results of non-performing customers managed centrally by the Non-Performing Loans Unit;
- operating units, such as proprietary finance, treasury and capital management;
- business service and support units, particularly with regard to the development and management of information systems;
- the offsetting of intragroup entries and the results of the companies consolidated under the equity method and those held for sale, in particular MP Banque.

Mediobanca Group

As already stated for the Mediobanca Group, the effects of the acquisition were recognised starting from 30 September 2025. Accordingly, the contribution of the Mediobanca Group to the consolidated income statement starts from the October–December 2025 quarter.

Business areas	Customers
The areas of <i>business</i> are: • Wealth Management (WM) – which encompasses asset management and savings management activities for the various customer segments. The division includes MB Premier; the Private networks of MBPB and CMB Monaco, and the Asset Management companies (Polus Capital, Mediobanca SGR, Mediobanca Management Company, and RAM Active Investments) as well as Spafid; • Consumer Finance (CF), which offers retail customers the full range of consumer credit products, from personal loans to salary-backed loans (“cessione del quinto”), as well as buy now pay later through the Heylight platform (Compass Banca, Compass RE and HeyLight SA, MBCredit solutions); • Corporate and Investment Banking (CIB) – which provides services to corporate clients in the areas of: Large corporate lending, Investment Banking (advisory and Capital Market activities) and trading (activities carried out by Mediobanca and Mediobanca International, Mediobanca Securities, Messier et Associés, Arma Partners and Specialty Finance, the latter comprising factoring and third-party leasing carried out by MBFACTA and Selma; • Insurance - <i>Principal Investing (PI)</i> which manages the Group’s portfolio of equity investments and securities.	As at 31 December 2025, Mediobanca Group customers totalled 3.9 mln and were broken down into around 3.2 mln managed by Consumer Finance, around 0.7 mln managed by Premier Retail, around 4 thousand customers by Premier Corporate and around 15,000 Private customers.

The algebraic sum of the six segments thus identified represents the economic and equity data of the Montepaschi Group’s Consolidated Financial Statements as at 31 December 2025.

The paragraph “Basis for preparation” shows the income statement and balance sheet results for each identified operating segment.

Reclassified income statement criteria by operating segment

Below is a description, for the Parent Company's business centres, of the criteria used to construct the main income aggregates:

- **Net interest income:** the aggregate is calculated on a contribution basis using "Internal Transfer Rates" differentiated by product and maturity. With reference to non-divisionalised entities, net interest income is the difference between "interest income and similar revenues" and "interest expense and similar charges".
- **Net fee and commission income:** net fee and commission income is determined by direct allocation of commissions to the operating segments.
- **Operating expenses:** the aggregate includes personnel expenses, other administrative expenses (after recovery of expenses) and Net adjustments to/recoveries on property, plant and equipment and intangible assets. The operating expenses of non-divisionalised entities (mono-segments) are directly allocated to their corresponding operating segments while, for the Parent Company, they are allocated to their respective Segments of reference by using a "cost allocation" model. For personnel expenses, the model makes direct allocation to business centres on the basis of the functional location of resources, or, indirect allocation on the basis of specific drivers. With regard to other administrative expenses and Net adjustments to/recoveries on property, plant and equipment and intangible assets, the model allocates external and intragroup cost components to the business centres either directly or by means of specific drivers.
- **Cost of customer credit / Net impairment (losses)/reversals on securities and loans to banks:** analytically allocated to the individual operating segments.

It should be noted that, with regard to the Mediobanca Group, the contribution to the consolidated financial statements is shown.

Reclassified balance sheet criteria by operating segment

Balance sheet aggregates were developed by precisely surveying the balances on individual customers and subsequently aggregating them by service model/operating segment. In particular:

- **gross interest-bearing loans to customers:** the interest-bearing assets used for the operations of a business segment, which are directly attributable to the segment itself;
- **direct funding** include the onerous liabilities arising from the operations, which are directly attributable to the segment itself.

It should be noted that, with regard to the Mediobanca Group, the contribution to the consolidated financial statements is shown.

Transactions between operating segments

Each segment's income and results include transfers between operating segments (Internal Transfer Rates). These transfers are reported in accordance with the best practices accepted by the market (i.e. the fair value method or cost method increased by a proper margin) both with respect to commercial and financial transactions.

The income of each operating segment is determined before intragroup balances and intragroup transactions are eliminated during the process of consolidation. In line with the internal reporting system used by the Group, balances of intragroup transactions are not shown separately.

Basis for preparation

In accordance with the recommendations of IFRS 8, the table below presents the Group's income statement and balance sheet results as at 31 December 2025, developed according to the Operating Segments defined above:

SEGMENT REPORTING	Business Segments				Corporate	Total Montepaschi Group net of Mediobanca	Mediobanca Group	Total Montepaschi Group
Primary segment	Retail banking	Wealth Management	Corporate banking	Large Corp. & Inv. Banking	Center			
(EUR mln)	31/12/2025	31/12/2025	31/12/2025	31/12/2025	31/12/2025	31/12/2025	31/12/2025	31/12/2025
PROFIT AND LOSS AGGREGATES								
Net interest income	844.8	37.3	717.9	152.9	428.9	2,181.8	472.6	2,654.4
Net fee and commission income	1,070.5	130.5	417.8	69.6	(102.3)	1,586.0	206.3	1,792.3
Other income	72.2	16.3	22.9	101.0	84.5	296.9	190.3	487.2
Other operating expenses/income	(7.6)	(1.5)	(5.7)	(0.1)	24.1	9.1	13.5	22.6
Total Income	1,979.8	182.5	1,152.8	323.3	435.3	4,073.9	882.7	4,956.6
Operating expenses	(1,158.8)	(110.6)	(389.6)	(92.0)	(133.8)	(1,884.9)	(419.0)	(2,303.9)
Pre Provision Profit	821.0	72.0	763.2	231.4	301.5	2,189.0	463.7	2,652.7
Net impairment losses (reversals) on loans and financial assets	(42.3)	0.2	(260.7)	(17.9)	(7.8)	(328.5)	(72.2)	(400.7)
Net Operating Income	778.7	72.2	502.4	213.5	293.6	1,860.5	391.5	2,252.0
BALANCE SHEET AGGREGATES								
Gross Interest-bearing loans to customers	35,148	540	30,833	5,075	10,899	82,496	62,441	144,937
Direct funding	46,076	3,340	22,131	4,856	33,243	109,646	84,999	194,645

(*) The value shown in the Group as well as that in the operating segments is represented by Gross Interest-Bearing Loans to Customers, therefore not including loss provisions.

(**) The value shown for the Mediobanca Group represents the contribution as reported in the reclassified statements in the preceding sections.

The following table summarises the values relating to the financial year 2024.

SEGMENT REPORTING		Business Segments				Corporate	Total
Primary segment		Retail banking	Wealth Management	Corporate banking	Large Corp. & Inv. Banking	Center	Montepaschi Group
(EUR mln)		31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024	31/12/2024
PROFIT AND LOSS AGGREGATES							
Net interest income		1,335.5	57.6	894.1	165.2	(96.6)	2,355.8
Net fee and commission income		971.1	118.5	404.8	67.6	(96.7)	1,465.3
Other Revenues from Banking and Insurance Business		63.1	14.1	22.9	91.6	15.3	206.9
Other operating expenses/income		(7.5)	(1.4)	0.9	-	13.6	5.7
Total Revenues		2,362.1	188.8	1,322.8	324.5	(164.4)	4,033.8
Operating expenses		(1,156.6)	(116.5)	(397.5)	(73.1)	(125.4)	(1,869.1)
Pre Provision Operating Profit		1,205.5	72.3	925.3	251.4	(289.8)	2,164.7
Cost of customer loans/Net impairment (losses)-reversals on securities and loans to banks/Other net provisions		(87.5)	(1.9)	(223.4)	(57.2)	(46.2)	(416.2)
Net Operating Income		1,118.0	70.4	702.0	194.1	(336.0)	1,748.5
BALANCE SHEET AGGREGATES							
Gross Interest-bearing loans to customers		32,409	489	29,774	4,465	11,087	78,223
Direct funding		44,717	3,037	20,364	4,477	21,376	93,972

(*) The value shown in the Group as well as that in the operating segments is represented by Gross Interest-Bearing Loans to Customers, therefore not including loss provisions.

Part M - Leasing Information

Section 1 - Lessee

Qualitative Information

In the capacity of lessee, the Parent Company stipulates lease agreements of properties to be primarily used for business. Therefore, these leased properties are used as branches and as spaces intended to accommodate ATMs or internal offices. The leasing activity also includes the stipulation of leasing agreements related to residential property used by employees during transfers to other work locations. In reality, the leasing activities of the Parent Company is also aimed at the need to relocate branches and offices. Particular attention is paid to the identification of the properties that are more suitable for the intended use, in line with the cost effectiveness criteria set forth by the company. As at 31 December 2025, the Parent Company had approximately 975 contracts in place in the capacity of lessee.

The Group companies undertake the role of lessee primarily in the leasing agreements of properties hosting their offices. In particular, the subsidiary WidiBa executes lease agreements concerning properties to be used for business (e.g., financial shops, spaces used for offices) and residential use, as in the case of flats sub-leased to employees who have transferred to other business locations. As for the Parent Company, the execution of new contracts is necessary in the case of relocations. As at 31 December 2025, the subsidiary is the lessee in 95 contracts for business use and 2 contracts for hospitality purposes. As regards the Mediobanca Group, by contrast, lease contracts as lessee primarily relate to properties for business use, intended for use as offices. As at 31 December 2025, 643 contracts were in place as lessee, of which: 563 for business use, mainly attributable to Compass Banca (291), Mediobanca Premier (235) and Mediobanca (17); 65 for hospitality purposes, most of which were entered into by Compass Banca (52); 15 contracts relating to foreign branches.

In addition to property leases, the Group has contracts for motor vehicles, mainly referring to long-term leases of company cars and cars given as a fringe benefit to employees and to hardware. In particular, the Mediobanca Group has leasing contracts for company cars relating to the company fleet made available to employees in accordance with Mediobanca's internal policy and some leasing contracts for hardware with residual value.

In view of the marginal relevance of car and hardware leasing contracts with respect to the total values of the assets consisting of rights of use recognized in the financial statements pursuant to IFRS 16, no further disclosure is provided on this contract category.

The Group is not usually exposed to cash outflows not included in the lease liability. The exposures deriving from extension options are included in the lease liabilities since, in order to provide business continuity to the Branch offices, the Group considers the first renewal to be certain, except in special cases. The rent due on the leases is updated in line with ISTAT data. No contracts entered into as lessee falls into the other categories referred to in the standard (residual value guarantees, commitments on leases not yet operational).

The Parent Company and the Group companies recognise as costs:

- short-term leases in the case of assets such as properties and technologies when the related contracts have a maximum term of twelve months and do not provide for any extension options.
- the leasing of assets of a modest value, i.e. characterised by a value that is under five thousand euro, related mainly to cell phones.

Quantitative Information

Part B - "Assets" of the Notes to the Financial Statements discloses, respectively, information on rights of use acquired through leasing (Table 9.1 - Property, plant and equipment used in the business: breakdown of assets valued at cost and Table 9.6 a - Property, plant and equipment used in the business - rights of use acquired through leasing: annual changes) and in Part B - Liabilities, lease liabilities are shown (Table 1.1 - Financial liabilities measured at amortised cost: breakdown of amounts due to banks, Table 1.2 - Financial liabilities measured at amortised cost: breakdown of due to customers).

As at 31 December 2025, rights of use acquired through leasing amount to EUR 426.5 mln (EUR 159.5 mln as at 31 December 2024), of which EUR 247.5 mln relating to Mediobanca. In particular right of use relate to property leasing amount to EUR 403.9 mln (EUR 150.1 mln as at 31 December 2024).

Lease payables amount to EUR 406.8 mln (EUR 166.5 mln as at 31 December 2024), of which EUR 219.6 mln relating to Medionbanca. Please refer to those sections for more details.

Part C of the Notes to the Financial Statements contains information on interest expense on Lease payables and other expenses relating to rights of use acquired under leasing and income from sub-leasing. Please refer to those sections for more details.

The following table shows amortisation costs for the assets comprising the right of use, broken down by the underlying asset class.

	31 12 2025	31 12 2024
Amortization costs on Right of Use acquired through leasing	53,452	42,628
b) Buildings	50,577	41,611
d) Electronic systems	99	-
e) Other	2,776	1,017

Section 2 – Lessor

Qualitative Information

The Parent Company executes, in its capacity as the lessor, lease agreements of properties for business and residential use.

The properties for business use are leased to both third parties and to intragroup companies. In the latter case, the properties and spaces occupied by the administrative offices of the companies of the Group are the subject matter of these contracts.

As regards the properties for residential use, these are primarily owned flats leased to third parties. Contracts for residential use generally have a duration of 4+4 years, while those for business use have a duration of 6+6 years. For the most part, these leases are safeguarded by the payment of a security deposit or surety bond by the tenant, as required by current legislation. This amount can be used to repair any damage that the tenant may cause. In addition to this, the Parent Company does not apply any specific contractual clause regarding the management of any risk associated with the rights held on the underlying assets.

Within the Group, subsidiary SelmaBipiemme Leasing also carries out operating leasing activities essentially relating to the leasing of properties to third parties.

The Group also operates in the financial leasing market, stipulating contracts mainly for companies and offering products in the real estate, capital goods, vehicles, energy and aircraft sectors, using its own network and, at the same time, single-firm agents.

As at 31 December 2025, the Group had approximately 24,457 contracts in its portfolio for a gross book value of EUR 3,046.5 mln, of which EUR 1,919.6 mln in the real estate leasing sector (5,365 contracts), EUR 668.3 mln in the capital goods sector (10,913 contracts), EUR 255.8 mln in the vehicle sector (7,800 contracts), EUR 113.7 mln in the energy sector (277 contracts) and EUR 88.9 mln in the aviation sector (102 contracts). Within the Group, 11,968 contracts with a gross carrying amount of EUR 1,108.8 mln relate specifically to the subsidiary SelmaBipiemme Leasing, of which EUR 595.2 mln in the property leasing sector (2,393 contracts), EUR 273.6 mln in the equipment sector (5,452 contracts), EUR

152.5 mln in the vehicle sector (4,041 contracts), EUR 9.8 mln in the energy sector (46 contracts) and EUR 77.6 mln in the aeronautical sector (36 contracts)

The value of the leasing contracts executed in 2025 amounted to EUR 22 mln (no. 69), down 91.8% from the previous year, while the value of the leasing contract executed in 2025 by the subsidiary SelmaBipiemme Leasing amounted to EUR 333.3 mln (1,762 contracts), down by 2.5% from previous year.

The trend by segment in terms of volumes for the Group shows a decline, compared to the previous year, for real estate (-57.9%; EUR -105.4 mln), industrial (-44.9%; EUR -100.4 mln), automotive (-43.4%; EUR -60.2 mln), energy (-98%; EUR -8.7 mln) and aeronautical (+4675%; EUR +74.8 mln).

The Group recognises financial leasing in compliance with the accounting standard IFRS 16 and classifies the transactions under financial assets measured at amortised cost.

Quantitative Information

1. Information on the balance sheet and income statement

Information on loans for leasing and assets transferred under operating leasing is provided, respectively, in Part B, Assets - Section 4 table 4.2 "Financial assets measured at amortised cost: breakdown of loans to customers" and underneath table 9.4 "Property, plant and equipment held for investment: breakdown of assets measured at fair value". For the information on interest income on loans for leasing and on other income from financial and business leasing, see table 1.1 "Interest income and similar revenues: breakdown" and 16.2 Other operating income: breakdown" contained in Part C.

2. Quantitative information - Financial leases

2.1 Quantitative information - Financial leases

Time bands	31 12 2025 Total lease payments receivable	31 12 2024 Total lease payments receivable
Up to 1 year	771,303	735,597
from 1 to 2 years	592,766	349,770
from 2 to 3 years	462,047	401,820
from 3 to 4 years	333,740	330,322
from 4 to 5 years	375,751	401,507
over 5 years	748,774	897,322
Total lease payments receivable	3,284,381	3,116,338
Reconciliation with investments	-	-
Not accrued gains	(393,983)	(420,515)
Unguaranteed residual values	(497,717)	(421,373)
Finance lease	2,392,681	2,274,450

The table shows the classification by time bands of payments to be received for leasing and the reconciliation between the payments to be received and the loans for lease financing in the portfolio as at 31 December 2025. The amounts are not discounted (IFRS 16.94).

2.2 Other information

Financial lease agreements entered into with customers enable risk management of the underlying assets in line with Group policies.

3. Quantitative information - Operating leases**3.1 Classification by time bands of payments to be received**

Time bands	31 12 2025		31 12 2024	
	year	Total lease payments receivable (excluding VAT)	year	Total lease payments receivable (excluding VAT)
Up to 1 year	2025	7,804	2024	6,447
from 1 to 2 years	2026	7,685	2025	6,187
from 2 to 3 years	2027	6,781	2026	5,998
from 3 to 4 years	2028	5,662	2027	5,104
from 4 to 5 years	2029	3,996	2028	4,372
over 5 years	starting from 2030	11,528	starting from 2029	18,811
Total		43,456		46,919

The table shows the classification by time bands of payments to be received for the leasing activities of the Parent Company and subsidiary SelmaBipiemme Leasing (IFRS 16.97). The amounts of payments shown are not actualised.

3.2 Other information

No other information to report

Public disclosure State by State

The Bank of Italy Circular no. 285/2013, Part One (Title III, Chapter 2) has transposed into Italian law the public disclosure set out in art. 89 - Communication by country - of Directive 2013/36/EU ("CRD IV") which introduces the obligation to disclose information concerning banking activities, subdivided by country where each bank is based; the disclosure is to be provided in the financial statements or posted on the entity's website.

In particular, the Parent Companies of banking groups are required to provide on a consolidated basis the following information, subdivided by country:

- a) Names of the companies based in the country and nature of the business
- b) Turnover
- c) Number of Full-time equivalent employees
- d) Profit or loss before tax
- e) Tax on profit or loss
- f) Public subsidies received

The tables below present the required information for the Group, with reference to the situation as at 31 December 2025.

The term "Turnover" refers to the net interest and other banking income as recorded in item 120 of the consolidated income statement.

The term "Number of full-time equivalent employees" refers to an average number representing the ratio between the total number of hours worked by all employees, excluding overtime, and the total annual number of hours contractually required of full-time employees.

"Profit or loss before tax" means the sum of items 290 and 320 (the latter before taxes) of the consolidated income statement.

"Tax on profit or loss" means the sum of taxes recorded in item 300 of the consolidated income statement and income taxes on assets under disposal.

The item "Public subsidies received" should indicate any grants received directly from the public administrations. This item does not include transactions performed by central banks for purposes of financial stability or transactions carried out to facilitate the monetary policy transmission mechanism. Similarly, transactions included in government aid schemes approved by the European Commission should not be taken into consideration.

31 12 2025

Country	Turnover (€/1000)	Number of FTEs	Profit or loss before tax (€/1000)	Tax on profit or loss (€/000)	Public subsidiaries received (€/000)
Algeria		1			
China	1,078	8	(336)	-	
Egypt		2			
France	48,842	169	9,652	(525)	-
Germany	1,856	18	27	(36)	-
India		1			
Italy	4,767,643	20,731	2,761,624	969,395	179
Luxembourg	11,104	30	11,336	(1,909)	-
Morocco		1			
Tunisia		1			
Turkey		2			
United Kingdom	62,405	253	20,882	(5,286)	-
Cayman islands	2	-	(1)	-	-
Monaco	45,585	290	17,137	(3,381)	-
Switzerland	7,910	42	(821)	40	-
USA	2,455	17	161	(2)	-
Spain	5,914	33	1,363	(531)	-
Total Group companies	4,954,793	21,599	2,821,024	957,765	179
Companies under significant influence valued at equity	-	-	227,890	-	-
Consolidation adjustments	(516,071)	-	(1,461,125)	165,776	-
Total Montepaschi's Group	4,438,722	21,599	1,587,789	1,123,541	179

The line "Consolidation adjustments" includes the reclassification of the portion of Turnover relating to the French investee Monte Paschi Banque S.A., classified as a discontinued operation pursuant to IFRS 5, as well as the economic effects arising from the acquisition of the Mediobanca Group ("Purchase Price Allocation").

It is to be noted that the subsidiary MPS TENIMENTI POGGIO BONELLI E CHIGI SARACINI SOCIETA' AGRICOLA S.p.A. has received EUR 0.2 mln in 2025 as subsidies, grants and bonuses to support agricultural production in EU countries.

List of Montepaschi Group companies by location and business type

Country	Company name		Type of business
Algeria	BANCA MONTE DEI PASCHI DI SIENA S.p.a.	Financial services for business	Representative office in Algeria
China	BANCA MONTE DEI PASCHI DI SIENA S.p.a.	Retail & Corporate banking service	Shanghai and Hong Kong branches, representative office in Guangzhou and Beijing
Egypt	BANCA MONTE DEI PASCHI DI SIENA S.p.a.	Retail & Corporate banking service	Representative office in Cairo
France	MEDIOBANCA - BANCA DI CREDITO FINANZIARIO S.p.a.	Retail & Corporate banking service	Paris branch
France	MESSIER ET ASSOCIES S.A.S.	Financial services	Advice to businesses on capital structure, industrial strategy and related matters, as well as advice and services relating to mergers and business acquisitions
France	MONTE PASCHI BANQUE S.A.	Retail & Corporate banking service	
Germany	ARMA DEUTSCHLAND GmbH	Financial services	Financial and business consultancy
Germany	MEDIOBANCA - BANCA DI CREDITO FINANZIARIO S.p.a.	Retail & Corporate banking service	Frankfurt branch
India	BANCA MONTE DEI PASCHI DI SIENA S.p.a.	Financial services for businesses	Representative office in Mumbai
Cayman Islands	BYBROOK CAPITAL BURTON PARTNERSHIP (GP) LIMITED	Financial services	Alternative Asset Management
Italy	AIACE REOCO S.r.l. in liquidazione	Real estate	
Italy	BANCA MONTE DEI PASCHI DI SIENA S.p.a.	Retail & Corporate banking service	
Italy	CIRENE FINANCE S.r.l.	Financial services for businesses	Special Purpose Entity (SPE)
Italy	COMPASS BANCA S.p.a.	Retail & Corporate banking service	Consumer finance
Italy	COMPASS LINK S.r.l.	Placement of consumer credit products	Financial advisor
Italy	COMPASS RENT S.r.l.	Retail & Corporate banking service	Rental and operating lease
Italy	G.IMM ASTOR S.r.l.	Real estate leasing	
Italy	HOLIPAY S.r.l.	Payments and settlements	A company that owns a digital platform for deferring payments, primarily relating to hotel expenses
Italy	MAGAZZINI GENERALI FIDUCIARI DI MANTOVA S.p.a.	Warehousing	
Italy	MB FACTA S.p.a.	Financial services	Factoring and credit management
Italy	MBCONTACT SOLUTIONS S.r.l.	Contact center services	Debt collection agency
Italy	MBCREDIT SOLUTIONS S.p.a.	Credit management	Third-party management of non-performing loans
Italy	MEDIOBANCA - BANCA DI CREDITO FINANZIARIO S.p.a.	Retail & Corporate banking service	Corporate Finance, Equity Capital Market, Lending
Italy	MEDIOBANCA COVERED BOND S.r.l.	Financial services	Securitisation vehicle
Italy	MEDIOBANCA INNOVATION SERVICES - S.c.p.a.	IT services	A company providing IT, administrative and facility management services to Mediobanca's subsidiaries
Italy	MEDIOBANCA PREMIER S.p.a.	Retail & Corporate banking service	Wealth management and advanced asset management services
Italy	MEDIOBANCA SGR S.p.a.	Financial services	Establishment and management of open-ended and closed-ended investment funds, management of SICAV sub-funds, delegated asset management, management of mandates for institutional clients, advisory services and financial and portfolio advisory
Italy	MONTE PASCHI FIDUCIARIA S.p.a.	Trust management	
Italy	MPS CAPITAL SERVICES BANCA PER LE IMPRESE S.p.a.	Retail & Corporate banking service	
Italy	MPS TENIMENTI POGGIO BONELLI E CHIGI SARACINI SOCIETA' AGRICOLA S.p.a.	Winery	
Italy	MPS COVERED BOND 2 s.r.l.	Financial services for businesses	Covered bond issue
Italy	MPS COVERED BOND S.R.L.	Financial services for businesses	Covered bond issue
Italy	MPS LEASING & FACTORING BANCA PER I SERVIZI FINANZIARI	Retail & Corporate banking service	Leasing e factoring
Italy	QUARZO S.r.l.	Financial services	Securitisation vehicle
Italy	SELMABIPIEMME LEASING S.p.a.	Financial services	Leasing services for businesses and private individuals
Italy	SIENA MORTGAGES 10-7 S.r.l. (in liquidazione)	Financial services for businesses	Special Purpose Entity (SPE)
Italy	SIENA LEASE 2016 2 SRL (in liquidation)	Financial services for businesses	Special Purpose Entity (SPE)
Italy	SIENA MORTGAGES 07-5 S.p.a.	Financial services for businesses	Special Purpose Entity (SPE)
Italy	SIENA MORTGAGES 09-6 S.R.L. (in liquidation)	Financial services for businesses	Special Purpose Entity (SPE)
Italy	SIENA PMI 2016 SRL	Financial services for businesses	Special Purpose Entity (SPE)

Country	Company name	Type of business
Italy	SPAFID S.p.a.	Trust management Private wealth management
Italy	SPAFID TRUST S.r.l.	Trust management Protection of assets and the transfer of assets and businesses across generations
Italy	SPV PROJECT 2224 S.r.l.	Financial services Securitisation vehicle
Italy	WISE DIALOG BANK S.p.a. - WIDIBA	Retail & Corporate banking service Online bank
Luxembourg	COMPASS RE (LUXEMBOURG) S.A.	Reinsurance Reinsurance company
Luxembourg	MB FUNDING LUXEMBOURG S.A.	Financial services Securitisation vehicle
Luxembourg	MEDIOBANCA INTERNATIONAL (LUXEMBOURG) S.A.	Retail & Corporate banking service Structured finance transactions and trading on the secondary market
Luxembourg	MEDIOBANCA INTERNATIONAL IMMOBILIERE S. A R.L.	Real estate Real Estate
Luxembourg	MEDIOBANCA MANAGEMENT COMPANY S.A.	Financial services Management and distribution of collective investment funds governed by Luxembourg law for retail and institutional clients
Morocco	BANCA MONTE DEI PASCHI DI SIENA S.p.a.	Financial services for businesses Representative office in Casablanca
Monaco	CMB MONACO S.A.M.	Retail & Corporate banking service Private Banking
Monaco	CMB REAL ESTATE DEVELOPMENT S.A.M.	Real estate Real Estate
Monaco	CMG MONACO S.A.M.	Retail & Corporate banking service Private Banking
United Kingdom	ARMA PARTNERS CORPORATE FINANCE LTD	Financial services Financial and business consultancy
United Kingdom	ARMA PARTNERS LLP	Financial services Financial and business consultancy
United Kingdom	HEIDI PAY LTD	IT services A company specialising in the development and management of software used primarily for BNPL (Buy Now Pay Later) products
United Kingdom	MEDIOBANCA - BANCA DI CREDITO FINANZIARIO S.p.a.	Retail & Corporate banking service London branch
United Kingdom	POLUS CAPITAL MANAGEMENT GROUP LIMITED	Financial services Alternative Asset Management
United Kingdom	POLUS CAPITAL MANAGEMENT INVESTMENTS LIMITED (out of service)	Financial services Alternative Asset Management
United Kingdom	POLUS CAPITAL MANAGEMENT LIMITED	Financial services Alternative Asset Management
United Kingdom	POLUS INVESTMENT MANAGERS LIMITED (out of service)	Financial services Alternative Asset Management
Spain	MEDIOBANCA - BANCA DI CREDITO FINANZIARIO S.p.a.	Retail & Corporate banking service Madrid branch
Switzerland	HEIDI PAY AG	Fintech Holding company
Switzerland	HEYLIGHT SA	Financial services A company specialising in the development and management of software used primarily for BNPL (Buy Now Pay Later) products
Switzerland	RAM ACTIVE INVESTMENTS S.A.	Financial services Alternative Asset Management
Tunisia	BANCA MONTE DEI PASCHI DI SIENA S.p.a.	Financial services for businesses Representative office in Tunisi
Turkey	BANCA MONTE DEI PASCHI DI SIENA S.p.a.	Financial services for businesses Representative office in Istanbul
USA	MEDIOBANCA SECURITIES USA LLC	Financial services Brokerage services
USA	MESSIER ET ASSOCIES L.L.C.	Financial services Advice to businesses on capital structure, industrial strategy and related matters, as well as advice and services relating to mergers and business acquisitions
USA	POLUS CAPITAL MANAGEMENT (US) INC.	Financial services Alternative Asset Management

CERTIFICATION OF THE CONSOLIDATED FINANCIAL STATEMENTS PURSUANT TO ART. 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999, AS SUBSEQUENTLY AMENDED AND SUPPLEMENTED

1. The undersigned, Luigi Lovaglio, as Chief Executive Officer, and Andrea Francesco Maffezzoni, as Financial Reporting Officer of Banca Monte dei Paschi di Siena S.p.A., also having regard to the provisions of art. 154-*bis*, paragraphs 3 and 4, of Italian Legislative Decree no. 58 of 24 February 1998, hereby certify:
 - appropriateness with respect to the company's profile, and
 - effective application of administrative and accounting procedures used in the preparation of the consolidated financial statements for financial year 2025.
2. The verification of the adequacy and effective application of administrative and accounting procedures for the preparation of the consolidated financial statements during 2025 was based on methods defined by the MPS Group in line with the COSO model, and for the IT component, COBIT, which constitute the reference framework for the internal control system generally accepted internationally.
3. It is also certified that:
 - 3.1 the consolidated financial statements:
 - were prepared in accordance with the international accounting standards recognised by the European Union pursuant to European Parliament and Council Regulation No. 1606/2002 of 19 July 2002;
 - are consistent with the underlying documentary evidence and accounting records;
 - are suitable to provide a true and fair representation of the capital, economic and financial situation of the issuer and group of companies included within the scope of consolidation.
 - 3.2 the Report on Operations includes a reliable analysis of the trends and results of operations as well as of the position of the issuer and of all entities included within the scope of consolidation, together with a description of the main risks and uncertainties they are exposed to.

Siena, 10 March 2026

Signed by
On behalf of the Board of Directors
The Chief Executive Officer
Luigi Lovaglio

Singed by
The Financial Reporting
Officer
Andrea Francesco Maffezzoni

CERTIFICATION OF THE SUSTAINABILITY REPORT PURSUANT TO ARTICLE 81-TER PARAGRAPH 1 OF CONSOB REGULATION NO. 1 OF 11971 14 MAY 1999, AS AMENDED

1. The undersigned Luigi Lovaglio, in his capacity as Chief Executive Officer, and Andrea Francesco Maffezzoni, in his capacity as Financial Reporting Officer of Banca Monte dei Paschi di Siena S.p.A., hereby certify, pursuant to Article 154-bis, paragraph 5-ter, of Legislative Decree no. 58 of 24 February 1998, that the sustainability report included in the Report on Operations has been prepared:
 - a) in accordance with the reporting standards applied pursuant to Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 and Legislative Decree no. 125 of 6 September 2024;
 - b) with the specifications adopted in accordance with Article 8(4) of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020.

Siena, 10 March 2026

Signed by
On behalf of the Board of Directors
The Chief Executive Officer
Luigi Lovaglio

Signed by
The Financial Reporting
Officer
Andrea Francesco Maffezzoni

Independent Auditors' reports



Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of

Banca Monte dei Paschi di Siena SpA

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of the Monte dei Paschi di Siena Group (the "Group"), which comprise the consolidated balance sheet as of 31 December 2025, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity, the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2025, and of the results of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and article 43 of Legislative Decree 136/2015.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of this report. We are independent of Banca Monte dei Paschi di Siena SpA (the "Bank") pursuant to the regulations and standards on ethics and

PricewaterhouseCoopers SpA

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independence applicable to audits of financial statements under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	Auditing procedures performed in response to key audit matters
Valuation of loans to customers measured at amortised cost Notes to the consolidated financial statements: Part A – Accounting policies; Part B – Information on the balance sheet, Section 4 – Financial assets measured at amortised cost – Item 40; Part C – Information on the consolidated income statement, Section 8 – Net impairment (losses) /reversals for credit risk – Item 130; Part E – Information on risks and hedging policies, Section 2 – Risks of prudential consolidation, paragraph 1.1 Credit risk. Loans to customers as at 31 December 2025 represent the predominant part of line item 40 b) “Financial assets measured at amortised cost – loans to customers” which shows a balance equal to Euro 158,575 million, corresponding to 66 per cent of the total assets of the financial statements. Net impairment losses on loans to customers recognised in the year amounted to Euro 818 million (line item 130 a) in the income statement). Special attention was paid to the valuation of the above-said loans as part of the audit because of the materiality of the value of loans in relation to the financial statements, as a whole, as well as because the related impairment losses consist of	In performing the audit, we considered the internal control system relevant to the preparation of the financial statements in order to design audit procedures that were appropriate in the circumstances. In order to address this key audit matter, the following main activities were performed, also with the support of the PwC network experts: • understanding, evaluation and verification of the operating effectiveness of relevant controls over the IT systems and applications used; • understanding and evaluation of the design of controls as part of the monitoring, classification and valuation of loans and testing of the operating effectiveness of relevant controls; • understanding and verification of the appropriateness of policies, procedures and models used to measure the significant increase in credit risk, for the allocation of the portfolios to the various risk stages and for measuring the expected loss both on an individual and collective basis, taking also into account the results of back testing

Key audit matters	Auditing procedures performed in response to key audit matters
estimates made by the directors which incorporate elements of subjectivity and complexity related to the complex valuation processes, methods and assumptions utilised. The use of significant assumptions in the estimation processes specifically regards, not only the verification of the significant increase in credit risk for the allocation of the portfolios to the various risk stages, also the determination of parameters used in the models to calculate the expected loss on a collective basis and, for loans being assessed on an individual basis, the estimation of the expected future cash flows, related to timing and the realisable value of the underlying guarantees, if any. Furthermore, these estimation processes were also impacted by the change and update of the management overlays which were required to take into account, among other things, any potential worsening of credit risk linked to the current and future economic and financial risks and uncertainties, including climate-environmental and geopolitical risks that are not currently factored in the models in use, also considering the changed macroeconomic context.	implemented by the Group; • understanding and verification of the methods used to determine the main estimation parameters in the context of the models used to measure the expected loss on a collective basis, taking into account the adjustments made during the year to the models already used. As part of this, we also verified the methods to determine management overlays, in order to assess their reasonableness, which were required to take into account, among other aspects, any potential worsening of credit risk linked to the current and future economic and financial risks and uncertainties, including climate-environmental and geopolitical risks that are not currently factored in the models in use, also considering the changed macroeconomic context; • verification, on a sample basis, of the reasonableness of the classification among performing loans (stage 1 and stage 2) and non-performing loans (stage 3) based on the available information on the status of the borrower and other pieces of information available, including external information; • verification of the correct application of the measurement criteria established for loans classified as performing (stage 1 and stage 2), of the completeness and accuracy of the model input data used to determine the expected loss on a collective basis; • with specific regard to non-performing loans (stage 3), assessed on an individual basis, taking into account the financial statement classification according to the categories under the applicable regulatory framework and the currently assumed recovery scenarios (sale or internal recovery), we checked, on a sample basis, the

Key audit matters	Auditing procedures performed in response to key audit matters
	reasonableness of the assumptions made to estimate the expected loss with particular reference to the identification and quantification of the expected future cash flows from the recovery activities, to the evaluation of the guarantees backing these exposures and to the estimate of the recovery times; • for non-performing loans valued on a collective basis, we verified the correct determination of the main estimation parameters within the model used, as well as the completeness and accuracy of the model input data; • benchmark analysis procedures on the customer loan portfolio and related coverage levels and analysis of the most significant fluctuations, taking into consideration loss forecasts within and outside the Group (such as the Financial Stability Report issued by the Bank of Italy) and discussing the most significant changes and the elements characterizing the loan portfolio with management; • critical reading of the minutes of the corporate governance bodies and the correspondence with the Supervisory Authorities; • performance of audit procedures on subsequent events as at the reporting date; • acquisition of specific written representations from management; • check of the completeness and adequacy of the disclosures provided in accordance with the provisions of international accounting standards, the applicable regulatory framework, as well as with the notices and recommendations issued by the Supervisory Authorities.

Key audit matters	Auditing procedures performed in response to key audit matters
Valuation of financial instruments not listed on active markets and measured at fair value on a recurring basis Notes to the consolidated financial statements: Part A – Accounting policies; Part B – Information on the balance sheet, Section 2 – Financial assets measured at fair value through profit or loss – Item 20; Section 3 – Financial assets measured at fair value through other comprehensive income – Item 30; Section 2 – Financial liabilities held for trading – Item 20; Section 3 – Financial liabilities measured at fair value – Item 30; Part C – Information on the consolidated income statement, Section 4 – Net profit (loss) from trading – Item 80, Section 7 – Net profit (loss) from other financial assets and liabilities measured at fair value through profit or loss - Item 110. Financial instruments measured at fair value that are not listed on active markets, related to the balance sheet items indicated above, whose fair value was determined using models fed by data and parameters directly observable and non-observable in the market (instruments of level 2 and 3 of the fair value hierarchy, respectively), showed a total asset value of Euro 8,511 million and a liability value equal to Euro 9,855 million, corresponding to about 4 per cent of assets and about 4 per cent of liabilities, respectively, of the consolidated financial statements. Such values represent the best estimate of fair value of the instruments at the reporting date, determined on the basis of the applicable international accounting standards. As part of our audit, we paid attention to the valuation of financial instruments under analysis held by the Group and, in particular, to those highly complex (structured securities and	In performing the audit, we considered the internal control system relevant to the preparation of the financial statements in order to design audit procedures that were appropriate in the circumstances. In order to address this key audit matter, the following main activities were performed, also with the support of the PwC network experts: • understanding, evaluation and verification of the operating effectiveness of relevant controls over the IT systems and applications used; • understanding and evaluation of the design of controls to identify and value financial instruments and verification of the operating effectiveness of relevant controls; • understanding and critical analysis of the policies adopted in determining the fair value of financial instruments in order to verify their appropriateness; • analysis of the valuation techniques and main models used, as well as the methods to determine the significant assumptions and necessary input data and verification of the consistency and conformity with the prevailing sector practice and financial literature; • performance of specific procedures to validate related accounting balances, such as the independent verification of fair value for a sample of financial instruments in order to analyse the reasonableness of the valuations made by the directors. Within such context, particular attention was paid to qualitative and

Key audit matters	Auditing procedures performed in response to key audit matters
derivatives), mainly related to the trading activity of such instruments by the subsidiary Mediobanca Banca di Credito Finanziario S.p.A.. Considering the significance of the values, the multiple and complex valuation models used, and given the significant use of estimates and assumptions necessary for this purpose, the valuation of these financial instruments was considered as a key audit matter. The valuation models used, although consolidated and recognised in prevailing practice, in addition to being numerous and diverse by instrument type, require specific qualitative and quantitative assumptions that can lead to significantly different results.	quantitative assumptions made and input data used (interest rate curves, credit and liquidity spreads, credit rating adjustments, volatility parameters, other market information); • verification of the completeness and adequacy of the disclosure provided in accordance with international accounting standards and the applicable regulatory framework.
Recognition of the business combination of the Mediobanca Group	
Notes to the consolidated financial statements Part A – Accounting policies; Part B – Information on the balance sheet; Part G – Business combinations.	In order to address such key audit matter, we performed the following audit procedures, also with the support of the PwC network experts:
22 September 2025 marked the end of the acceptance period of the voluntary Public Tender and Exchange Offer (OPAS) launched by the Bank on the Mediobanca Banca di Credito Finanziario S.p.A shares with acceptance equal to about 86.3% of the share capital (the “Transaction”). The Transaction is a business combination falling under the scope of application of IFRS 3 “Business combinations”, inasmuch as the offer allowed the Bank to obtain control of Mediobanca S.p.A. The Bank was identified as the accounting acquirer applying the purchase method, which provides for the recognition and measurement, at their respective fair values at the acquisition date, of the identifiable assets acquired, of the identifiable liabilities (also contingent liabilities) assumed and any non-controlling interests in the	• understanding of the Transaction also through obtaining and analysing supporting documentation, as well as through discussion with management; • verification of the reasonableness of the assumptions made and conclusions reached by the directors, as well as of the compliance of the accounting treatment of the Transaction with the applicable accounting standards in relation to the following aspects: i) identification of the acquirer, ii) determination of the acquisition date iii) identification and valuation, on a provisional basis, of the identifiable assets acquired and identifiable liabilities assumed; • we evaluated the technical skills, capabilities and related objectivity of the external experts engaged by management;

Key audit matters	Auditing procedures performed in response to key audit matters
acquired entity ("Purchase Price Allocation – PPA"). In order to determine the fair value and recognition of goodwill, the Group, availing itself of the support of external experts, used processes and valuation methods characterised by their nature by highly subjective elements. The Bank exercised the option envisaged by IFRS 3 which allows the initial accounting of a business combination to be provisional and grants the acquirer a 12-month period to obtain the information necessary to identify and assess the elements required for the definitive accounting of the business combination, which must therefore be completed by 30 September 2026. For the purposes of a provisional determination of the fair value of net assets and, accordingly, of goodwill, the main items affected were: the property portfolio used in operations and held for investment, loans and payables to customers and banks, investment assets at amortised cost and bonds issued and investments in associates. The effects of the provisional allocation of the purchase price determined, net of related tax effects, a provisional goodwill of Euro 2,953 million. Considering the particular and significant nature of the Transaction, the values emerging from the PPA and the complexity of the assumptions used for the purposes of the recognition and determination of the fair value of the assets acquired and liabilities assumed, we considered the accounting for the Transaction as a key matter of the audit of the consolidated financial statements of the Group as at 31 December 2025.	• understanding and critical analysis, also through discussions with management and external experts used by the Group, of the valuation models and related assumptions used within the process to determine the fair value of the identifiable assets acquired and identifiable liabilities assumed, also through sensitivity analyses; • verification, on a sample basis, of the accuracy of the mathematical calculations underlying the valuation models adopted; • verification of the correct determination and recognition of deferred taxes in relation to temporary differences between new book values and related tax values; • verification of the completeness and adequacy of the disclosure provided in accordance with international accounting standards.
Recoverability of deferred tax assets Notes to the consolidated financial statements: Part A – Accounting policies; Part B – Information on the balance sheet, Section 11 – Tax assets and liabilities – Item 110 of assets and item 60 of liabilities;	In performing the audit, we considered the internal control system relevant to the preparation of the financial statements in order to design audit procedures that were appropriate in the circumstances.

Key audit matters	Auditing procedures performed in response to key audit matters
Part C – Information on the consolidated income statement, Section 21 – Tax (expense)/recovery on income from continuing operations – Item 300. As of 31 December 2025, the Group recorded Euro 3,594 million in the asset line item 110 "Tax assets" for net deferred tax assets ("DTA") related to tax losses that cannot be converted into tax credits and other deductible temporary differences, whose recoverability depends on the availability of taxable income in the future. The income statement line item 300 "Tax (expense)/recovery on income from continuing operations" amounted to Euro 1,124 million, mainly related to the positive effect of the DTA assessment, equal to Euro 1,590 million, following the entire revaluation of DTAs related to prior tax losses incurred and unrecognised in previous years. The assessment of the recoverability of these assets is a key audit matter because they are significant in value with respect to the financial statements, taken as a whole, and because their valuation is based on an estimation process (probability test), which entails using assumptions and parameters, considering their very nature, that include a high degree of subjectivity. Specifically, following the acquisition of the Mediobanca Group that occurred during the year and the subsequent participation of the related Italian companies in the tax consolidation mechanism of the MPS Group, effective from the 2026 tax period, the aforementioned estimation process was based on prospective income statement projections available at the reporting date, processed by combining the 2024-2028 and 2025-2028 Business Plans approved by the Board of Directors of the Bank on 5 August 2024 and by the Board of Directors of Mediobanca Banca di Credito Finanziario S.p.A. on 26 June 2025, respectively.	Specifically, in order to address this key audit matter, the following main activities were performed, also with the support of the PwC network experts: • understanding of the new scope of the companies participating in the tax consolidation mechanism in light of the Italian companies of the Mediobanca Group entering such scope; • understanding and evaluation of the process and methodology adopted by the directors to carry out the probability test; • check of the consistency of the methodology adopted with the provisions of the applicable international financial reporting standard, taking into account professional practices, as well as the notices and recommendations of the Supervisory Authorities; • assessment, including through a check of external data, where available, of the reasonableness of the main qualitative and quantitative assumptions (revenue flows, discount and growth rates) and of the different types of deductible temporary differences based on the applicable tax legislation, used to prepare the probability test; • analysis of the reasonableness of the prospective income statement projections used by the Group to prepare the probability test; • verification of the mathematical accuracy of calculations underlying the probability test and the correctness of the calculations performed; • critical reading of the minutes of the corporate governance bodies and the

Key audit matters	Auditing procedures performed in response to key audit matters
Moreover, the valuation of the recoverability of the deferred tax assets considered additional valuation assumptions, such as (i) the determination of taxable income that is expected to be realised in the time-period considered for the recovery of DTAs, (ii) the growth rates used for the projection of future taxable income and the probability that there will be future taxable income, (iii) the extent of the foreseeable time-period for the recovery of DTAs, (iv) the correct interpretation of the applicable tax legislation. The Group notes out that a similar assessment performed on the basis of the new net income projections included in the 2026-2030 Group Business Plan approved by the Board of Directors of the Bank on 26 February 2026, would have resulted in the same accounting effects.	correspondence with the Supervisory Authorities; • acquisition of specific written representations from management; • check of the completeness and adequacy of disclosures provided by the directors in the notes to the consolidated financial statements in accordance with international financial reporting requirements and the applicable regulatory framework, as well as with the notices and recommendations issued by the Supervisory Authorities.

Responsibilities of the directors and the board of statutory auditors for the consolidated financial statements

The directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and article 43 of Legislative Decree 136/2015 and, in the terms prescribed by law, for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Group's ability to continue as a going concern and, in preparing the consolidated financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the consolidated financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the parent company Banca Monte dei Paschi di Siena SpA or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the Group's financial reporting process.

Auditor's responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern.

If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- We evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- We obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion on the consolidated financial statements.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional disclosures required by article 10 of Regulation (EU) 537/2014

On 11 April 2019, the shareholders of Banca Monte dei Paschi di Siena SpA engaged us to perform the legal audit of the stand-alone and the consolidated financial statements for the years ending 31 December 2020 to 31 December 2028.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Bank in conducting the legal audit.

We confirm that the opinion on the consolidated financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on compliance with other laws and regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

The directors of Banca Monte dei Paschi di Siena SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the “Commission Delegated Regulation”) to the consolidated financial statements as of 31 December 2025, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express an opinion on the compliance of the consolidated financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the consolidated financial statements as of 31 December 2025 have been prepared in XHTML format and have been marked up, in all significant respects, in compliance with the provisions of the Commission Delegated Regulation.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998

The directors of Banca Monte dei Paschi di Siena SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of the Monte dei Paschi di Siena Group as of 31 December 2025, including their consistency with the relevant consolidated financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the consolidated financial statements;
- express an opinion on the compliance with the law of the report on operations, excluding the section on the consolidated sustainability statement, and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;
- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the consolidated financial statements of the Monte dei Paschi di Siena Group as of 31 December 2025.

Moreover, in our opinion, the report on operations, excluding the section on the consolidated sustainability statement, and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are prepared in compliance with the law.



With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the Bank and its environment obtained in the course of the audit, we have nothing to report.

Our opinion on compliance with the law does not extend to the section of the report on operations relating to the consolidated sustainability statement. The conclusions on the compliance of that section with the rules governing its preparation and on compliance with the disclosure requirements established by article 8 of Regulation (EU) 852/2020 are expressed by ourselves in the report prepared in accordance with article 14-bis of Legislative Decree 39/2010.

Florence, 24 March 2026

PricewaterhouseCoopers SpA

Signed by

Marco Palumbo

(Partner)

This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative

Independent auditor's limited assurance report on the consolidated sustainability report in accordance with article 14-bis of Legislative Decree 39/2010

To the Shareholders of

Banca Monte dei Paschi di Siena SpA

Conclusion

In accordance with articles 8 and 18, paragraph 1, of Legislative Decree 125/2024 (the “Decree”), we have undertaken a limited assurance engagement on the consolidated sustainability report of the Monte dei Paschi di Siena Group (the “Group”) for the year ended 31 December 2025 prepared in accordance with article 4 of the Decree, presented in the specific section of the consolidated report on operations.

Based on the procedures performed, nothing has come to our attention that causes us to believe that:

- the consolidated sustainability report of the Monte dei Paschi di Siena Group for the year ended 31 December 2025 is not prepared, in all material respects, in accordance with the reporting criteria adopted by the European Commission pursuant to Directive (EU) 2013/34/EU (“European Sustainability Reporting Standards”, also the “ESRS”);
- the information set out in paragraph “Disclosure pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)” of the consolidated sustainability report is not prepared, in all material respects, in accordance with article 8 of Regulation (EU) 852/2020 (the “Taxonomy Regulation”).

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Basis for conclusion

We conducted our limited assurance engagement in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia). The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our responsibilities under this standard are further described in the “Auditor’s responsibilities for the limited assurance conclusion on the consolidated sustainability report” section of this report.

We are independent in accordance with the principles of ethics and independence applicable to assurance engagements on consolidated sustainability reporting under Italian law.

Our firm applies International Standard on Quality Management 1 (ISQM Italia 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Responsibilities of the directors and the board of statutory auditors of Banca Monte dei Paschi di Siena SpA for the consolidated sustainability report

The directors are responsible for developing and implementing the procedures adopted to identify the information included in the consolidated sustainability report in accordance with the provisions of the ESRS (the “materiality assessment process”) and for describing those procedures in paragraph “Double materiality analysis” of “Section 1 – General Information” of the consolidated sustainability report.

The directors are also responsible for preparing the consolidated sustainability report, which contains the information identified through the materiality assessment process, in accordance with the provisions of article 4 of the Decree, including:

- its compliance with the ESRS;
- its compliance with article 8 of the Taxonomy Regulation of the information set out in paragraph “Disclosure pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)”.

That responsibility involves designing, implementing and maintaining, in the terms prescribed by law, such internal control as they determine is necessary to enable the preparation of a consolidated sustainability report in accordance with article 4 of the Decree that is free from material misstatement, whether due to fraud or error. That responsibility also involves selecting and applying appropriate methods for processing the information, as well as developing hypotheses and estimates about specific items of sustainability information that are reasonable in the circumstances.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, compliance with the Decree.

Inherent limitations in the preparation of the consolidated sustainability report

As reported in paragraph “Strategy, business model and value chain” of “Section 1 – General Information”, for the purpose of reporting forward-looking information in accordance with ESRS, the directors are required to prepare such information on the basis of assumptions, described in the consolidated sustainability report, about future events and possible future actions by the Group. Because of the uncertainty connected with any future event, in terms both of occurrence and of the extent and timing of occurrence, variances between actual results and forward-looking information may be significant.

As reported in paragraph “Basis for presentation” of “Section 1 – General Information”, the disclosure provided by the Group about Scope 3 emissions is subject to greater inherent limitations compared with Scope 1 and 2 emissions, because of the poor availability and relative accuracy of the information used to define both qualitative and quantitative information on Scope 3 emissions related to the value chain.

Auditor’s responsibilities for the limited assurance conclusion on the consolidated sustainability report

Our objectives are to plan and perform procedures to obtain limited assurance about whether the consolidated sustainability report is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that contains our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the consolidated sustainability report.

As part of our engagement designed to achieve limited assurance in accordance with the Standard on Sustainability Assurance Engagements - SSAE (Italia), we exercised professional judgement and maintained professional scepticism throughout the engagement.

Our responsibilities include:

- Performing risk assessment procedures to identify the disclosures where a material misstatement, whether due to fraud or error, is likely to arise;
- Designing and performing procedures to verify the disclosures where a material misstatement is likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Directing, supervising and performing a limited assurance engagement on the consolidated sustainability report and assuming full responsibility for the conclusion on the consolidated sustainability report.

Summary of the work performed

An engagement designed to obtain limited assurance involves performing procedures to obtain evidence as a basis for our conclusion.

The procedures performed were based on our professional judgement and included inquiries, primarily of personnel of Banca Monte dei Paschi di Siena SpA responsible for the preparation of the information presented in the consolidated sustainability report, analyses of documents, recalculations and other procedures designed to obtain evidence considered useful.

We performed the following main procedures:

- We understood the Group's business model and strategies, and the environment in which it operates with reference to sustainability issues.
- We understood the processes underlying the generation, collection and management of the qualitative and quantitative information included in the consolidated sustainability report.
- We understood the process implemented by the Group to identify and assess the material impacts, risks and opportunities, in accordance with the double materiality principle, related to sustainability issues and, based on the information thus obtained, we considered whether any contradictory items emerged that could point to the existence of sustainability issues not considered by the Group in the materiality assessment process.
- We identified the disclosures where a material misstatement is likely to arise.
- We defined and performed procedures, based on our professional judgement, to address the risks of material misstatement identified.

- We understood the process implemented by the Group to identify the eligible economic exposures and to determine whether they are aligned in accordance with the provisions of the Taxonomy Regulation, and we verified the related disclosures in the consolidated sustainability report.
- We reconciled the information reported in the consolidated sustainability report with the information reported in the consolidated financial statements in accordance with the applicable financial reporting framework, or with the accounting information used for the preparation of the consolidated financial statements, or with management accounting information.
- We verified the structure and presentation of disclosures included in the consolidated sustainability report in accordance with the ESRS.
- We obtained management's representation letter.

Florence, 24 March 2026

PricewaterhouseCoopers SpA

Signed by

Marco Mancini

(Partner)

This report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.

Annexes

Reconciliation between the reclassified income statement and balance sheet and the related statutory accounts

Reconciliation of the reclassified income statement as at 31 December 2025 and related accounting schedule

Item	Income Statement accounts	31/12/25	Economic effects of "Purchase Price Allocation"	Customer repayments	Reclassification of dividends on treasury stock transactions	Reclassification of the portion of profits from equity investments	Reclassification provision to BRPD and DGSF funds	Recovery of stamp duty and customers' expenses	Cost of extraordinary operations	DTA Fee	Income/expenses relating to securities lending for trading	Derivative contracts relating to trading securities	EUA Certificates	Other revenue from Consumer Finance	Partnerships	Restructuring costs (Personnel expenses for early retirement)	Restructuring costs (Closure of branches)	Charges related to Commitment and Business Plan	Personnel cost recoveries	Cost of credit	Insurance operating profit	Non current assets held for sale and disposal groups: fair change	31/12/25	Reclassified Income Statement accounts
10	Interest income and similar revenues <i>of which interest income calculated applying the effective interest rate method</i>	4,629.4 4013.5	- 106.9	0.0 0.0	- -	- -	- -	- -	1.0 1.0	- -	20.4 (0.8)	13.6 13.6	- -	- -	- -	- -	- -	- -	- -	- -	- -	22.7 26.2 7.2	2,654.5 4,776.3 4,020.7	Net interest income
20	Interest expense and similar charges	(2,084.1)	(55.5)	-	-	-	-	-	-	-	21.2	-	-	-	-	-	-	-	-	-	-	(3.5)	(2,121.9)	
40	Fee and commission income	2,090.3	-	1.9	-	-	-	-	-	-	(2.5)	-	-	3.4	-	-	-	-	-	-	-	8.4	1,792.3	Net fee and commission income
50	Fee and commission expense	(314.0)	-	-	-	-	-	-	-	-	(3.0)	-	-	3.4	-	-	-	-	-	-	4.8	8.7 (0.3)	2,106.1 (313.8)	
70	Dividends and similar income	38.3	-	-	(24.9)	227.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	241.3	Dividends, similar income and gains (losses) on equity investments
80	Net profit (loss) from trading	83.4	(9.8)	-	24.9	-	-	-	-	-	(17.9)	(13.6)	163.7	-	-	-	-	-	-	-	11.3	0.2	237.8	Net profit (loss) from trading, the fair value measurement of assets/liabilities and Net gains (losses) on disposals/repurchases
100	Gains/(losses) on disposal/repurchase of: a) financial assets measured at amortised cost b) Financial assets measured at fair value through other comprehensive income c) financial liabilities	93.5 88.6 4.6 0.3	8.4 10.1 1.5 (3.2)	- - - -	- - - -	- - - -	- - - -	- - - -	- - - -	- - - -	(17.9) (13.6)	(13.6)	163.7	- -	- -	- -	- -	- -	- -	- -	(17.3) (17.3)	- - - -	84.6 81.4 6.1 (2.9)	
110	Net profit (loss) from other 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	(106.3) (77.1) (29.2)	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	28.6 (0.8) 29.4	- - -	(77.7) (77.9) 0.2	
90	Net profit (loss) from hedging	8.3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	8.3	Net profit (loss) from hedging
230	Other operating expenses/income	489.0	-	0.7	-	-	(300.5)	-	-	-	-	-	(163.7)	(3.4)	5.1	-	-	-	(4.9)	-	-	0.3	22.5	Insurance operating profit Other operating income (expenses)
190	Administrative expenses: a) personnel expenses b) other administrative expenses	(2,525.6) (1,555.1) -	- - -	- - -	- - -	10.0 -	300.5 -	22.9 7.0 15.9	57.4 -	- -	- -	- -	- -	- -	- -	32.1 32.1 0.1	0.1 -	3.9 4.3 0.6	4.9 -	- -	- -	(22.8) (9.0) (13.8)	(2,116.6) (1,520.7) (595.9)	Administrative expenses a) personnel expenses b) other administrative expenses
210	Net adjustments to/recoveries on property, plant and equipment	(112.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.5	-	-	-	-	(2.1)	(187.4)	Net value adjustments to property, plant and equipment and intangible assets
220	Net adjustments to/recoveries on intangible assets	(74.8)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.5	-	-	-	-	(1.7)	(112.2)	
130	Net impairment (losses)/reversals on a) financial assets measured at amortised cost b) financial assets measured at fair value through other comprehensive income	(819.3) (817.7) (1.6)	431.8 431.8 -	- - -	- - -	- - -	- - -	- - -	- - -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	(7.7) 0.1 1.6	- - -	(398.9) (385.0)	Cost of customers credit 130a) financial assets measured at amortised cost - customers
140	Modification gains/(losses)	(4.6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	17.3 (28.6) 1.9	- - 0.0	17.3 (28.6) 1.9	100a) Loans to customers measured at amortised cost 110b) Loans 200 a) Net provision for risks and charges related to financial guarantees and other commitments 140 Modification gains (losses)
160	Net insurance premiums	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.7)	-	(1.7)	Net impairment (losses)/reversals on securities and loans to banks
170	Other net insurance income (expense)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
200	Net provision for risks and charges: a) commitments and guarantees issued b) other net provisions	(17.4) 1.9 (19.3)	- - (2.6)	(2.6) -	- - -	- - -	- - -	- - -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	(1.9) (1.9)	- - 0.0	(21.9) (21.9)	Net provisions for risks and charges
250	Gains (losses) on investments	227.9	-	-	-	(227.9)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	Gains (losses) on investments
260	Net gain (losses) on property, plant and equipment and intangible assets measured at fair value	(23.7)	-	-	-	-	-	-	-	-	-	-	-	-	-	(16.1) (16.0)	(1.6) (10.6)	- -	- -	- -	- -	- -	(28.3) (10.0)	Restructuring costs /One-Off costs Risks and charges related to the SRF, DGS and similar schemes
270	Impairment of goodwill	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(57.4)	DTA Fee
280	Gains (losses) on disposal of investments	5.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5.1	Gains (losses) on disposal of investments
290	Profit (loss) before tax from continuing operations	1,588.2	482.0	-	-	-	-	-	-	-	-	-	-	-	5.1	-	-	(6.7)	-	0.0	-	7.5	2,076.0	Profit (loss) for the year before tax
300	Tax (expense)/recovery on income from continuing operations	1,123.5	(161.4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.0)	961.1	Tax (expense)/recovery on income from continuing operations
310	Profit (loss) after tax from continuing operations	2,711.7	320.6	-	-	-	-	-	-	-	-	-	-	-	5.1	-	-	(6.7)	-	0.0	-	6.5	3,037.2	Profit (loss) after tax
320	Profit (loss) after tax from groups of assets held for sale and discontinued operations	(0.2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(6.5)	0.0	
330	Profit (loss) for the year	2,711.5	320.6	-	-	-	-	-	-	-	-	-	-	-	5.1	-	-	-	-	0.0	-	-	3,037.2	Net profit (loss) for the year
340	Profit (loss) attributable to non-controlling interests	(4.4)	-	-	-	-	-	-	-	-	-	-	-	-	5.1	-	-	-	-	-	-	-	0.7	Net profit (loss) attributable to non-controlling interests
			(320.6)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(320.6)	PPA (Purchase Price Allocation)
	Parent company's net profit (loss) for the year	2,715.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,715.9	Parent company's net profit (loss) for the year

Reconciliation of the reclassified income statement as at 31 December 2024 and related accounting schedule

Item	Income Statement accounts	31/12/24	Customer repayments	Redclassification of dividends on treasury stock transactions	Redclassification of the portion of profits from equity investments	Redclassification provision to BRHD and DGSF funds	Recovery of stamp duty and customers' expenses	DTA Fee	Restructuring costs (Personnel expenses for early retirement)	Restructuring costs (Closure of Branches)	Securitization, Recapitalization and Commitment Costs	Personnel cost recoveries	Cost of credit	Non current assets held for sale and disposal groups: MP Baggage	31/12/24	Reclassified Income Statement accounts
10	Interest income and similar revenues <i>of which interest income calculated applying the effective interest rate method</i>	4,677.9 3,844.9	-	-	-	-	-	-	-	-	-	-	-	35.1 39.0	2,355.7 4,716.9	Net interest income
20	Interest expense and similar charges	(2,357.2)	-	-	-	-	-	-	-	-	-	-	-	(0.4)	(2,361.2)	
40	Fee and commission income	1,688.5	1.3	-	-	-	-	-	-	-	-	-	-	8.9	1,465.4	Net fee and commission income
50	Fee and commission expense	(233.4)	-	-	-	-	-	-	-	-	-	-	-	9.2 (0.2)	1,699.0 (233.6)	
70	Dividends and similar income	22.7	-	(5.2)	75.2	-	-	-	-	-	-	-	-	-	92.7	Dividends, similar income and gains (losses) on equity investments
80	Net profit (loss) from trading	127.9	-	5.2	-	-	-	-	-	-	-	-	0.3	0.2	115.2	Net profit (loss) from trading, the fair value measurement of assets/liabilities and Net gains (losses) on disposals/repurchases
100	Gains/(losses) on disposal/repurchase of: a) financial assets measured at amortised cost b) Financial assets measured at fair value through other comprehensive income c) financial liabilities	(8.6) (7.7) (0.3) (0.6)	-	-	-	-	-	-	-	-	-	-	(0.5) (0.5)	0.1 -	(9.0) (8.2) (0.2) (0.6)	
110	Net profit (loss) from other financial assets and liabilities measured at fair value through profit or loss a) financial assets and liabilities measured at fair value b) other financial assets mandatorily measured at fair value	(9.9) 1.5 (11.5)	-	-	-	-	-	-	-	-	-	-	0.8 - 0.8	-	12.1 1.5 10.6	
90	Net profit (loss) from hedging	(1.0)	-	-	-	-	-	-	-	-	-	-	-	-	(1.0)	Net profit (loss) from hedging
230	Other operating expenses/income	231.3	-	-	-	-	(222.1)	-	-	-	-	(2.6)	-	(0.9)	5.7	Other operating income (expenses)
190	Administrative expenses: a) personnel expenses b) other administrative expenses	(2,073.2) (1,247.6) (825.6)	-	-	-	77.5	222.1	61.3	25.9	5.8	3.7	2.6	-	(23.3) (9.7) (13.7)	(1,697.8) (1,228.8) (469.0)	Administrative expenses a) personnel expenses b) other administrative expenses
210	Net adjustments to/recoveries on property, plant and equipment	(101.5)	-	-	-	-	-	-	-	0.3	-	-	-	(2.3)	(171.2)	Net value adjustments to property, plant and equipment and intangible assets
220	Net adjustments to/recoveries on intangible assets	(67.8)	-	-	-	-	-	-	-	0.3	-	-	-	(2.1)	(103.3)	
130	Net impairment (losses)/reversals on a) financial assets measured at amortised cost b) financial assets measured at fair value through other comprehensive income	(406.9) (406.2) (0.7)	-	-	-	-	-	-	-	-	-	-	10.3 6.0 0.7	(2.9) (3.4)	(409.6) (403.6)	Cost of customers loans 130a) financial assets measured at amortised cost - customers
			-	-	-	-	-	-	-	-	-	-	0.5 (0.8)	-	0.5 (0.8)	100a) Loans to customers measured at amortised cost 110b) Loans
			-	-	-	-	-	-	-	-	-	-	3.9	0.5	4.4	200 a) Net provision for risks and charges related to financial guarantees and other commitments
140	Modification gains/(losses)	(10.0)	-	-	-	-	-	-	-	-	-	-	-	-	(10.0)	140 Modification gains (losses)
160	Net insurance premiums	-	-	-	-	-	-	-	-	-	-	-	(6.7)	-	(6.7)	Net impairment (losses)/reversals on securities and loans to banks
170	Other net insurance income (expense)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
200	Net provision for risks and charges: a) commitments and guarantees issued b) other net provisions	(63.7) 3.9 (67.6)	(1.3)	-	-	-	-	-	-	-	-	-	(3.9) (3.9)	0.5 -	(68.4)	Net provisions for risks and charges
250	Gains (losses) on investments	74.2	-	-	(75.2)	-	-	-	-	-	-	-	-	-	(1.0)	Gains (losses) on investments
			-	-	-	(77.5)	-	-	(25.9)	(6.1)	(40.1)	-	-	-	(72.1)	Restructuring costs /One-Off costs
			-	-	-	-	(61.3)	-	-	-	-	-	-	-	(77.5)	Risks and charges related to the SRF, DGS and similar schemes
			-	-	-	-	-	-	-	-	-	-	-	-	(61.3)	DTA Fee
260	Net gain (losses) on property, plant and equipment and intangible assets measured at fair value	(27.4)	-	-	-	-	-	-	-	-	-	-	-	-	(27.4)	Net gain (losses) on property, plant and equipment and intangible assets measured at fair value
280	Gains (losses) on disposal of investments	2.7	-	-	-	-	-	-	-	-	-	-	-	1.0	3.7	Gains (losses) on disposal of investments
290	Profit (loss) before tax from continuing operations	1,464.5	-	-	-	-	-	-	-	-	(36.4)	-	(0.0)	16.4	1,444.5	Profit (loss) for the year before tax
300	Tax (expense)/recovery on income from continuing operations	508.1	-	-	-	-	-	-	-	-	-	-	-	(2.0)	506.1	Tax (expense)/recovery on income from continuing operations
310	Profit (loss) after tax from continuing operations	1,972.6	-	-	-	-	-	-	-	-	(36.4)	-	(0.0)	14.4	1,950.6	Profit (loss) after tax
320	Profit (loss) after tax from groups of assets held for sale and discontinued operations	(22.0)	-	-	-	-	-	-	-	-	36.4	-	-	(14.4)	-	
330	Profit (loss) for the year	1,950.6	-	-	-	-	-	-	-	-	-	-	(0.0)	-	1,950.6	Net profit (loss) for the year
340	Profit (loss) attributable to non-controlling interests	(0.2)	-	-	-	-	-	-	-	-	-	-	-	-	(0.2)	Net profit (loss) attributable to non-controlling interests
	Parent company's net profit (loss) for the year	1,950.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,950.8	Parent company's net profit (loss) for the year

Reconciliation between the reclassified balance sheet and related statutory accounts as at 31 December 2025

	Balance-sheet Items - Assets Consolidated figures (including Mediobanca Group)	31/12/25	Loans to customers	trading derivatives	Securities	Loans to Banks @ AC - Loans to Central Banks	Non-current assets held for sale and disposal groups	Change in value of macro-hedged financial assets	31/12/25	Reclassified Balance-sheet Items - Assets
10	Cash and cash equivalents	14,632.0	-	-	-	-	840.1	-	15,472.1	Cash and cash equivalents
20	Financial assets measured at fair value through profit or loss	26,355.2	(775.7)	(5,177.4)	26,140.9	-	-	-	46,543.0	Securities assets
	a) financial assets held for trading	23,751.7	(36.8)	(5,177.4)	1,375.6	-	-	-	24,765.3	
	b) financial assets designated at fair value	1,506.4	(601.4)	-	-	-	-	-	19,913.1	
	c) other financial assets mandatorily measured at fair value	1,097.1	(137.5)	-	-	-	-	-	905.0	
30	Financial assets measured at fair value through other comprehensive income	6,966.1	-	-	(6,966.1)	-	-	-	959.6	
40	Financial assets measured at amortised cost	167,790.8	775.7	-	(17,799.2)	-	289.5	-	151,056.8	
	a) Loans to banks	9,215.8	-	-	(1,009.3)	1,086.6	7.6	-	1,094.2	Loans to central banks
	b) Loans to customers	158,575.0	775.7	-	(16,789.9)	(1,086.6)	0.3	-	7,120.3	Loans to banks
50	Hedging derivatives	882.2	-	5,177.4	-	-	281.5	-	142,842.3	Loans to customers
60	Change in value of macro-hedged financial assets (+/-)	(1,013.6)	-	-	-	-	-	1,013.6	6,059.6	Derivatives
70	Equity investments	7,829.0	-	-	-	-	-	-	-	
80	Reinsurers' share of technical reserve	-	-	-	-	-	-	-	7,829.0	Equity investments
90	Property, plant and equipment	3,240.5	-	-	-	-	55.5	-	-	
100	Intangible assets	3,336.1	-	-	-	-	5.4	-	3,296.0	Property, plant and equipment
	- of which goodwill	2,961.3	-	-	-	-	-	-	3,341.5	Intangible assets
110	Tax assets	4,355.4	-	-	-	-	1.1	-	2,961.3	- of which goodwill
	a) current	267.4	-	-	-	-	-	-	4,356.5	Tax assets
	b) deferred	4,088.0	-	-	-	-	1.1	-	267.4	a) current
120	Non-current assets held for sale and disposal groups	1,202.0	-	-	-	-	(1,202.0)	-	4,089.1	b) deferred
130	Other assets	6,064.8	-	-	(1,375.6)	-	10.4	(1,013.6)	3,686.0	Other assets
									(0.0)	120 Non-current assets held for sale and disposal groups
									3,686.0	130 Other assets
	Total Assets	241,640.5	0.00	0.00	0.00	0.00	0.00	0.00	241,640.5	Total Assets

	Balance-sheet Items - Liabilities Consolidated figures (including Mediobanca Group)	31/12/25	Due to central banks	Due to banks	Insurance liabilities	trading derivatives	Financial liabilities designated at fair value	Provision for staff severance indemnities	Change in value of macro- hedged financial liabilities (+/-)	Liabilities associated with non- current assets held for sale and disposal group	Group Net Equity	31/12/25	Reclassified balance-sheet items - Liabilities
10	Financial liabilities measured at amortised cost	186,034.4	-	-	-	-	5,682.5	-	-	906.7		166,340.8	Direct funding
	a) due to banks	26,282.4	(10,029.9)	(16,252.5)								0.0	
	b) due to customers	120,257.9					5,682.5			906.2		121,164.1	a) due to customers
	c) debts securities issued	39,494.1	10,029.9									45,176.6	b) Securities issued
				16,252.5						0.4		10,029.9	Due to central banks
												16,252.9	Due to banks
20	Financial liabilities held for trading	11,245.7				(5,057.9)						6,187.8	On-balance-sheet financial liabilities held for trading
30	Financial liabilities designated at fair value	5,682.5					(5,682.5)					-	
40	Hedging derivatives	852.2				5,057.9						5,910.1	Derivatives
												852.2	Hedging derivatives
												5,057.9	trading derivatives
50	Change in value of macro-hedged financial liabilities (+/-)	(9.8)							9.8			-	
60	Tax liabilities	1,165.3	-	-	-	-	-	-	-	1.1		1,166.4	Tax liabilities
	a) current	218.1										218.1	a) current
	b) deferred	947.2								1.1		948.3	b) deferred
70	Liabilities associated with non- current assets held for sale and disposal groups	975.9								(975.9)		-	
									(9.8)			4,445.7	Other liabilities
												(9.8)	Change in value of macro-hedged financial liabilities (+/-)
										42.7		42.7	Liabilities associated with non- current assets held for sale and disposal group
					80.4							80.4	Insurance liabilities
80	Other liabilities	4,309.9								22.5		4,332.4	Other liabilities
90	Provisions for employees severance pay	85.7					(85.7)					(0.0)	
100	Provisions for risks and charges:	1,008.6	-	-	-	-	85.7	-	-	3.0		1,097.3	Provisions for specific use
							85.7			2.7		88.4	a) Provision for staff severance indemnities
	a) financial guarantees and other commitments	166.7								0.2		166.9	b) Provision related to guarantees and other commitments given
	b) post-employment benefits	3.2										3.2	c) Pension and other post- retirement benefit obligations
	c) other provisions	838.7								0.1		838.8	d) Other provisions
110	Insurance liabilities	80.4			(80.4)							-	
120	Valuation reserves	58.8									(58.8)	-	
150	Reserves	4,063.7									(4,063.7)	-	
											58.8	27,961.2	Group net equity
											-	58.8	a) Valuation reserves
											-	-	b) Redeemable shares
											-	-	c) Equity Instruments
											4,063.7	4,063.7	d) Reserves
160	Share premium reserve	3,146.6										3,146.6	e) Share premium reserve
170	Share capital	17,978.2									(1.8)	17,978.2	f) Share capital
											2,715.7	(1.8)	g) Treasury shares (-)
											2,715.7	2,715.7	h) Net profit (loss) for the year
180	Treasury shares (-)	(1.8)									1.8	-	
190	Non-controlling interests (+/-)	2,248.5										2,248.5	Non-controlling interests
200	Profit (loss) for the year (+/-)	2,715.7									(2,715.7)	-	
	Total Liabilities and Shareholders' Equity	241,640.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	241,640.5	Total Liabilities and Shareholders' Equity

Reconciliation between the reclassified balance sheet and related statutory accounts as at 31 December 2024

Balance-sheet Items - Assets		31/12/24	Loans to customers	trading derivatives	Securities	Loans to Banks @ AC - Loans to Central Banks	Non-current assets held for sale and disposal groups	Change in value of macro-hedged financial assets	31/12/24	Reclassified Balance-sheet Items - Assets
10	Cash and cash equivalents	13,249.4	-	-	-	-	780.5	-	14,029.9	Cash and cash equivalents
20	Financial assets measured at fair value through profit or loss	6,532.8	(143.6)	(2,312.2)	13,312.8	-	57.6	-	17,447.4	Securities assets
					13,312.8		57.6		13,370.4	
	a) financial assets held for trading	6,076.6	-	(2,312.2)	-		-		3,764.4	
	b) financial assets designated at fair value	-	-	-	-		-		-	
	c) other financial assets mandatorily measured at fair value	456.2	(143.6)	-	-		-		312.6	
30	Financial assets measured at fair value through other comprehensive income	2,337.4	-	-	(2,337.4)		-		-	
40	Financial assets measured at amortised cost	90,526.0	143.6	-	(10,975.4)	-	249.2			
			-		-	560.8	4.7		565.5	Loans to central banks
	a) Loans to banks	3,365.9	-		(737.6)	(560.8)	0.8		2,068.3	Loans to banks
	b) Loans to customers	87,160.1	143.6		(10,237.8)		243.7		77,309.6	Loans to customers
50	Hedging derivatives	94.2	-	2,312.2	-		-		2,406.4	Derivatives
60	Change in value of macro-hedged financial assets (+/-)	(411.5)	-	-	-		-	411.5	-	
70	Equity investments	672.3	-	-	-		-		672.3	Equity investments
80	Technical insurance reserves reassured with third parties	-	-	-	-		-		-	
90	Property, plant and equipment	2,109.1	-	-	-		31.1		2,140.1	Property, plant and equipment
100	Intangible assets	156.1	-	-	-		1.5		157.6	Intangible assets
	- of which goodwill	7.9	-	-	-		-		7.9	- of which goodwill
110	Tax assets	2,536.9	-	-	-		1.1		2,538.0	Tax assets
	a) current	104.3	-	-	-		-		104.3	a) current
	b) deferred	2,432.6	-	-	-		1.1		2,433.7	b) deferred
							-		3,266.6	Other assets
120	Non-current assets held for sale and disposal groups	1,128.7	-	-	-		(1,128.7)		0.0	Non-current assets held for sale and disposal groups
130	Other assets	3,670.3	-	-	-		7.8	(411.5)	3,266.6	Other assets
Total Assets		122,601.7	0.0	0.0	0.0	0.0	0.0	0.0	122,601.7	Total Assets

Items	Balance-sheet Items - Liabilities	31/12/24	Due to central banks	Due to banks	trading derivatives	Financial liabilities designated at fair value	Provision for staff severance indemnities	Change in value of macro-hedged financial liabilities (+/-)	Change in value of macro-hedged financial liabilities (+/-)	Liabilities associated with non-current assets held for sale and disposal group	Group Net Equity	31/12/24	Reclassified balance-sheet items - Liabilities
10	Financial liabilities measured at amortised cost	102,751.4	-	-	-	-	119.7	-	-	912.7		93,971.9	Direct funding
	a) due to banks	9,811.3	(8,510.9)	(1,300.4)								-	
	b) due to customers	82,632.2			505.1					912.1		84,049.4	a) due to customers
	c) debts securities issued	10,307.9			(505.1)		119.7					9,922.5	b) Securities issued
			8,510.9									8,510.9	Due to central banks
				1,300.4						0.6		1,301.0	Due to banks
20	Financial liabilities held for trading	2,605.7				(987.8)						1,617.9	On-balance-sheet financial liabilities held for trading
30	Financial liabilities designated at fair value	119.7					(119.7)					-	
40	Hedging derivatives	358.4										1,346.2	Derivatives
												358.4	Hedging derivatives
						987.8						987.8	trading derivatives
50	Change in value of macro-hedged financial liabilities (+/-)	(0.7)							0.7			-	
60	Tax liabilities	5.6	-	-	-	-	-	-	-	1.0		6.6	Tax liabilities
	a) current	1.3										1.3	a) current
	b) deferred	4.3								1.0		5.3	b) deferred
70	Liabilities associated with non-current assets held for sale and disposal groups	976.7								(976.7)		-	
80	Other liabilities	3,132.0							(0.7)			3,191.2	Other liabilities
												(0.7)	Change in value of macro-hedged financial liabilities (+/-)
										36.1		36.1	Liabilities associated with non-current assets held for sale and disposal groups
										23.8		3,155.8	Other liabilities
90	Provisions for employees severance pay	69.7						(69.7)				-	
100	Provisions for risks and charges:	933.9	-	-	-	-	-	69.7	-	3.0		1,006.6	Provisions for specific use
	a) financial guarantees and other commitments	149.6						69.7		2.7		72.4	a) Provision for staff severance indemnities
	b) post-employment benefits	3.3								0.2		149.8	b) Provision related to guarantees and other commitments given
	c) other provisions	781.0								0.1		3.3	c) Pension and other post-retirement benefit obligations
												781.1	d) Other provisions
120	Valuation reserves	60.4									(60.4)	-	
150	Reserves	2,184.3									(2,184.3)	-	
170	Share capital	7,453.5									60.4	11,649.0	Group net equity
											-	60.4	a) Valuation reserves
											-	-	b) Redeemable shares
											2,184.3	-	c) Equity Instruments
											-	-	d) Reserves
											-	7,453.5	e) Share premium reserve
											-	-	f) Share capital
											1,950.8	1,950.8	g) Treasury shares (-)
											-	-	h) Net profit (loss) for the year
180	Treasury shares (-)	-									-	-	
190	Non-controlling interests (+/-)	0.3									-	0.3	Non-controlling interests
200	Profit (loss) for the year(+/-)	1,950.8									(1,950.8)	-	
Total Liabilities and Shareholders' Equity		122,601.7	-	-	-	-	-	-	-	-	-	122,601.7	Total Liabilities and Shareholders' Equity

Disclosure of Independent auditors' fees

Pursuant to the provisions of art. 149-duodecies of the Consob Issuers' Regulations, the table below provides information on the fees paid to the Independent Auditors PricewaterhouseCoopers SpA and to the companies belonging to the same network for the services detailed below:

31 12 2025

Type of services	Pricewaterhousecoopers S.p.a.	PwC network	Total
Auditing	3,164.00	1,163.00	4,327.00
Other attest services	3,212.00	32.00	3,244.00
Other services	26.00	219.00	245.00
Total	6,402	1,414	7,816

Amounts are exclusive of V.A.T., ancillary expenses and CONSOB contribution.

PENSION FUNDS – Defined benefit pension funds without plan assets

Obligation for “Supplementary Pension Fund for personnel of former Provveditori”

Accounting statement as at 31 12 2025	(in units of Eur)
Opening balance as at 01 01 2025	1,920,868
Increases	95,544
- provisions for the year	50,227
- Other	45,317
Decreases	265,933
- Benefit paid	265,933
- Other	-
Closing balance as at 31 12 2025	1,750,479

“Supplementary Pension Fund for personnel of former Credito Lombardo”

Accounting statement as at 31 12 2025	(in units of Eur)
Opening balance as at 01 01 2025	1,333,880
Increases	86,461
- provisions for the year	36,603
- Other	49,858
Decreases	179,588
- Benefit paid	179,588
- Other	-
Closing balance as at 31 12 2025	1,240,753

Draft Separate Annual Report of Banca Monte dei Paschi di Siena

Report on operations

For more information on aspects not examined in this Report, please refer to the disclosure provided in the Consolidated Report on Operations.

Results in brief

Below are the main income statement and balance sheet figures of Banca Monte dei Paschi di Siena as at 31 December 2025, calculated on the basis of the reclassified financial statement schedules, the methods of which are illustrated in the section “Income statement and balance sheet reclassification principles” of this Report. The analytical details of the reclassifications made with respect to the required format, pursuant to the Bank of Italy Circular 262, are provided, with separate statements included in the annexes, also in compliance with the requirements of Consob with Communication no. 6064293 of 28 July 2006.

INCOME STATEMENT AND BALANCE SHEET FIGURES			
MONTE DEI PASCHI DI SIENA BANK			
INCOME STATEMENT FIGURES (EUR mln)	31 12 2025	31 12 2024	Chg.
Net interest income	2,079.4	2,178.8	-4.6%
Net fee and commission income	1,552.2	1,431.2	8.5%
Other income from banking business	654.8	186.1	n.m.
Other operating income and expenses	17.8	14.1	26.4%
Total Revenues	4,304.2	3,810.3	13.0%
Operating expenses	(1,802.1)	(1,781.7)	1.1%
Cost of customer credit	(308.7)	(361.4)	-14.6%
Other value adjustments	0.7	(6.5)	n.m.
Net operating income (loss)	2,194.2	1,660.6	32.1%
Non-operating items	(145.3)	(261.2)	-44.4%
Net profit (loss) for the year	3,104.8	1,922.9	61.5%
BALANCE SHEET FIGURES AND INDICATORS (EUR mln)	31 12 2025	31 12 2024	Chg.
Total assets	145,173.9	122,046.6	18.9%
Loans to customers	80,820.5	77,537.6	4.2%
Direct funding	93,346.1	89,872.7	3.9%
Indirect funding	100,812.5	95,211.6	5.9%
of which: assets under management	57,055.8	54,074.5	5.5%
of which: assets under custody	43,756.7	41,137.1	6.4%
Net equity	28,022.0	11,284.6	n.m.
OPERATING STRUCTURE	31 12 2025	31 12 2024	Chg.
Total headcount - end of period	16,109	16,291	-182
Number of branches in Italy	1,258	1,312	(54)

ALTERNATIVE PERFORMANCE MEASURES			
MONTE DEI PASCHI DI SIENA BANK			
PROFITABILITY RATIOS (%)	31 12 2025	31 12 2024	Chg.
Cost/Income ratio	41.9	46.8	-4.9
ROE (on average equity)	15.8	18.4	-2.6
Return on Assets (RoA) ratio	2.1	1.6	0.5
ROTE (Return on tangible equity)	15.9	18.6	-2.7
CREDIT QUALITY RATIOS (%)	31 12 2025	31 12 2024	Chg.
Net NPE ratio	1.8	2.4	-0.6
Gross NPL ratio	2.9	3.8	-0.9
Rate of change of non-performing loans to customers	(19.3)	5.6	-24.9
Bad loans to customers/Loans to Customers	0.5	0.6	-0.1
Loans to customers measured at amortised cost - Stage 2/Performing loans to customers measured at amortised cost	11.1	13.2	-2.1
Coverage of non-performing loans to customers	49.2	47.9	1.3
Coverage of bad loans to customers	62.4	65.7	-3.3
Provisioning	0.38	0.47	-0.09
Texas Ratio	10.5	27.7	-17.9

Cost/Income ratio: ratio between Operating expenses (Administrative expenses and net impairment losses on property plant and equipment and intangible assets) and Total revenues (for the composition of this aggregate, see the reclassified income statement).

Return On Equity (ROE): ratio between the net profit for the year and the average between the shareholders' equity (including profit and valuation reserves) at the end of the year and that at the end of the previous year.

Return On Assets (ROA): ratio between the Net profit (loss) for the year and Total assets at the end of the year.

Return On Tangible Equity (ROTE): ratio between the Net profit (loss) for the year and the average between the tangible shareholders' equity¹⁴⁰ at the end of year and that at the end of the previous year.

Net NPE Ratio: ratio between net non-performing exposures to customers and total net exposures to customers, both net of Assets held for sale (excluding government Securities).

Gross NPE Ratio:¹⁴¹ gross impact of non-performing loans (NPLs) calculated as the ratio between Gross non-performing loans to customers and banks¹⁴², net of disposal groups, and total Gross loans to customers and banks, net of disposal groups.

Rate of change in non-performing loans to customers: represents the annual rate of growth in Gross non-performing loans to customers based on the difference between annual balances.

Coverage of non-performing loans to customers and coverage of non-performing loans to customers: coverage ratio on Non-performing loans and Non-performing loans to customers is calculated as the ratio between the relative loss provisions and the corresponding gross exposures.

Provisioning: ratio between the cost of customer credit and the sum of loans to customers and the value of securities deriving from transfer/securitisation of non-performing loans.

Texas Ratio: ratio between Gross non-performing loans to customers and the sum, in the denominator, of the relative loss provisions and tangible shareholders' equity.

¹⁴⁰ Book value of the Bank Shareholders' equity inclusive of profit (loss) for the year, net of goodwill and other intangible assets.

¹⁴¹ EBA Risk Dashboard

¹⁴² Loans to banks include current accounts and sight deposits with banks and central banks classified under the item "Cash" in balance sheet assets.

REGULATORY MEASURES			
MONTE DEI PASCHI DI SIENA BANK			
CAPITAL RATIOS (%)	31 12 2025	31 12 2024	Chg.
Common Equity Tier 1 (CET1) ratio - phase in	36.0	17.9	18.1
Total Capital ratio - phase in	37.8	20.3	17.5

In determining the capital ratios, the “**phase-in**” (or “transitional”) version represents the application of calculation rules according to the regulatory framework in force at the reporting date.

Common equity Tier 1 (CET1) ratio: ratio between Common Equity Tier 1 and total Risk-Weighted Assets.

Total capital ratio: ratio between Own Funds and total Risk-Weighted Assets.

Analysis of the key economic-financial indicators of Banca Monte dei Paschi di Siena

Reclassified accounts

The balance sheet and income statement are shown below in reclassified form according to management criteria in order to provide an indication of the Bank's general performance based on economic and financial information that can be quickly and easily determined.

A disclosure is provided below on the aggregations and main reclassifications systematically performed with respect to the financial statement templates established by Circular no. 262/05.

Income statement reclassification principles

- The item **"Net Interest Income"** includes the balance of financial statement items 10 "Interest Income and Similar Income" and 20 "Interest Expense and Similar Charges".
- The item **"Net fee and commission income"** includes the balance of financial statement item 40 "Fee and commission income", net of the cost of repayments to customers (EUR -1.9 mln), reclassified under "Other net provisions for risks and charges", and the balance of financial statement item 50 "Fee and commission expense".
- The item **"Dividends, similar income and gains (losses) on investments"** includes Item 70 of the financial statements "Dividends, similar income", net of the dividends received on equity securities other than investments (EUR +6.0 mln), reclassified under the item "Net profit from trading, fair value measurement of assets/Liabilities and net gains on disposals/repurchases".
- The item **"Net profit from trading, fair value measurement of assets/liabilities and net gains on disposals/repurchases"** includes the values of financial statement items 80 "Net profit (loss) from trading", 100 "Net gains (losses) on disposals/repurchases", net of the contribution from Loans to customers (EUR +1.3 mln), reclassified to the item "cost of customer credit", and 110 "Net profit (loss) from other financial assets and liabilities measured at fair value through profit and loss", net of the contribution from Loans to customers (EUR -0.5 mln) and Securities deriving from disposals/securitisations of non-performing loans (EUR -33.3 mln), reclassified to the item "cost of customer credit". The aggregate also incorporates the amounts relating to dividends received on equity securities other than equity investments (EUR +6.0 mln).
- The item **"Net profit (loss) from hedging"** includes Item 90 "Net Profit from Hedging".
- The item **"Other operating income/expenses"** includes the balance of item 200 "Other operating expenses/income" net of:
 - recovery of indirect taxes and Taxes and other expenses that are classified under the reclassified item "Other Administrative Expenses" (EUR 224.7 mln);
 - recovery of training expenses, reclassified as reductions in "Personnel expenses" (EUR 1.9 mln) and "Other administrative expenses" (EUR 0.6 mln);
 - other recoveries of personnel expenses, reclassified as a reduction of "Personnel Expenses" (EUR 2.4 mln);
 - other charges reclassified under the item "Other net provisions to provisions for risks and charges" (EUR -0.7 mln).
- The item **"Personnel expenses"** includes the balance of financial statement item 160a "Personnel expenses" from which charges of EUR 16.1 mln relating to departures through the Early Retirement Scheme or access to the Solidarity Fund, and charges of EUR 16.0 mln relating to the revision of the incentive scheme following the acquisition of Mediobanca, were separated and reclassified under the item "Extraordinary/integration transaction costs". The aggregate also includes the recovery of training expenses (EUR 1.9 mln) and other recoveries of personnel expenses (EUR 2.4 mln) recognised in the financial statements under item 200 "Other operating expenses/income".
- The item **"Other administrative expenses"** includes the balance of financial statement item 160b "Other administrative expenses", reduced by the following cost items:
 - charges, amounting to EUR 5.3 mln, introduced against banks under the deposit protection mechanisms (FITD), attributed to the reclassified item "Risks and charges associated with SRF, DGS and similar schemes";
 - charges, amounting to EUR 2.2 mln, relating to the insurance guarantee fund for life business pursuant to the law of 30 December 2023, No. 213, attributed to the reclassified item "Risks and charges associated with SRF, DGS and similar schemes";

- DTA fee (Deferred Tax Assets) convertible into tax credit, for EUR 57.4 mln, posted to the reclassified item "DTA fee";
- expenses amounting to EUR 4.0 mln, relating to initiatives also aimed at the implementation of project initiatives connected to the Industrial Plan;
- expenses, amounting to EUR 7.9 mln, reclassified under the item "Extraordinary/integration transaction costs", relating to integration consulting.

This item also includes indirect Taxes and duties and other expenses recovered from customers (EUR 224.7 mln) and the recovery of costs incurred for training (EUR 0.6 mln), which are recognised in the financial statements under item 200 "Other management charges/income".

- The item **"Net value adjustment to property plant and equipment and intangible assets"** includes the values of the financial statement items 180 "Net Value Adjustments/recoveries on property, plant and equipment" and 190 "Net Value Adjustments/recoveries on Intangible Assets". Adjustments of EUR -1.5 mln referring to the closure of branches were separated from the aggregate, recognised under the reclassified item "Restructuring costs".
- The item **"cost of customer credit"** includes the income statement components relating to loans to customers of financial statement items 100a "Gains/losses on disposal or repurchase of financial assets measured at amortised cost" (EUR +1.3 mln), 110b "Net result of financial assets and liabilities mandatorily measured at *fair value*" (EUR -0.5 mln), 130a "Net adjustments and reversals for credit risk on financial assets measured at amortised cost" (EUR -274.7 mln), 140 "Gains/losses from contractual changes without cancellation" (EUR -4.6 mln) and 170a "Net provisions for risks and charges: Net provisions relative to commitments and guarantees given" (EUR +3.1 mln). The item also includes the economic components relating to securities deriving from the transfer/securitisation of non-performing loans recognised in item 110b "Net result of other Financial assets mandatorily measured at fair value" (EUR -33.3 mln).
- The item **"Net impairment (losses)/reversals of securities and loans to banks"** includes the portion relating to securities (EUR +4.9 mln) and loans to banks (EUR -2.6 mln) of balance sheet item 130a "Net adjustments and reversals for credit risk of financial assets measured at amortised cost" and balance sheet item 130b "Net adjustments and reversals for credit risk of financial assets measured at *fair value* through other comprehensive income" (EUR -1.6 mln).
- The item **"Other net provisions for risks and charges"** includes the balance of item 170 "Net provisions for risks and charges" less the component relating to loans to customers of item 170a "commitments and guarantees given" (EUR +3.1 mln), which has been reclassified to the specific item "cost of customer credit". The item also includes charges for repayments to customers relating to previous years recognised under "fee and commission income" (EUR -1.9 mln) and other charges recorded as a reduction of "Other operating income/expenses" (EUR -0.7 mln).
- The item **"Other gains (losses) on equity investments"** includes the balance of financial statement item 220 "Gains (losses) on investments".
- The item **"Restructuring Costs/One-off Costs"** includes the following amounts:
 - costs of EUR 16.1 mln related to departures through the Early Retirement Scheme or access to the Solidarity Fund accounted for in financial statements item 190a "Personnel Expenses";
 - charges, equal to EUR 1.5 mln, relating to branch closures, recorded in item 180 "Net Value Adjustments/recoveries on property, plant and equipment";
 - expenses, amounting to EUR 4.0 mln, relating to initiatives also aimed at the implementation of project activities connected to the Industrial Plan, recognised in the financial statements under item 160b "Other Administrative Expenses".
- The item **"Costs of extraordinary operations"** includes expenses, amounting to EUR 23.9 mln, incurred in relation to the OPAS and the ensuing integration, recognised in the financial statements under item 160b "Other administrative expenses" for EUR 7.9 mln and under item 190a "Personnel expenses" for EUR 16.0 mln.
- The item **"Risks and charges associated with SRF, DGS and similar schemes"** includes charges associated with contributions to the European resolution fund (with a zero balance at 31 December 2025), the deposit guarantee fund (EUR 5.3 mln) and the insurance guarantee fund for life business pursuant to Law No. 213 of 30 December 2023 (EUR 2.2 mln), recognised under item 160b "Other Administrative Expenses".

- The item **"DTA fee"** includes charges relating to the fee on DTAs that can be converted into a tax credit recognised under item 160b "Other Administrative Expenses", for an amount equal to EUR 57.4 mln.
- The item **"Net gains (losses) on property, plant and equipment and intangible assets measured at fair value"** includes the balance of financial statement item 230 "Net gains (losses) on property, plant and equipment and intangible assets measured at fair value".
- Item **"Gains (Losses) on Disposal of Investments"** includes the balance of financial statement item 250 "Gains (Losses) on Disposal of Investments".
- The item **"Income taxes for the year"** includes the balance of item 270 "Income taxes for the year from current operations".

Balance sheet reclassification principles

The following are the reclassification criteria adopted for drafting the reclassified balance sheet:

- The asset item **"Cash and cash equivalents"** includes financial statement item 10 "Cash and cash equivalents".
- The asset item **"Loans to Central Banks"** includes the portion relating to operations with central banks of financial statement item 40 "Financial assets measured at amortised cost".
- The asset item **"Loans to Banks"** includes the portion relating to loans to banks of financial statement item 40 "Financial Assets Measured at Amortised Cost", item 20 "Financial Assets Measured at Fair Value through Profit or Loss" and item 110 "Non-Current Assets Held for Sale and Disposal Groups".
- The asset item **"Loans to Customers"** includes the portion relating to loans to customers of financial statement item 20 "Financial Assets Measured at Fair Value through Profit or Loss", item 40 "Financial Assets Measured at Amortised Cost" and item 110 "Non-Current Assets Held for Sale and Disposal Groups".
- The asset item **"Securities Assets"** includes the portion relating to securities of financial statement item 20 "Financial Assets Measured at Fair Value through Profit or Loss", item 30 "Financial Assets Measured at Fair Value through Other Comprehensive Income", item 40 "Financial Assets Measured at Amortised Cost" and item 110 "Non-Current Assets Held for Sale and Disposal Groups".
- The asset item **"Derivatives"** includes the portion relating to derivatives of financial statement items 20 "Financial Assets Measured at Fair Value through Profit or Loss" and 50 "Hedging Derivatives".
- The asset item **"Equity Investments"** includes financial statement item 70 "Equity Investments" and the portion related to investments in item 110 "Non-Current Assets Held for Sale and Disposal Groups".
- The asset item **"Property, Plant and Equipment and Intangible Assets"** includes financial statement item 80 "Property, Plant and Equipment", item 90 "Intangible Assets" and the amounts related to property, plant and equipment and intangible assets in item 110 "Non-Current Assets Held for Sale and Disposal Groups".
- The asset item **"Other Assets"** includes financial statement item 60 "Change in Value of Macro-Hedged Financial Assets", item 120 "Other Assets", and the amounts in item 110 "Non-Current Assets Held for Sale and Disposal Groups" not included in the previous items.
- The liability item **"Due to Customers"** includes financial statement item 10b "Financial Liabilities Measured at Amortised Cost - Due to Customers" and the component relating to customer securities of financial statement item 10c "Financial Liabilities Measured at Amortised Cost - Debt Securities Issued".
- Liability item **"Securities Issued"** includes financial statement item 10c "Financial Liabilities Measured at Amortised Cost - Debt Securities Issued", excluding the component relating to customer securities, and item 30 "Financial Liabilities measured at Fair Value".
- The liability item **"Due to Central banks"** includes the portion of balance sheet item 10a "financial liabilities measured at amortised cost – due to banks" relating to transactions with central banks.
- The liability item **"Due to banks"** includes the portion of balance sheet item 10a "Financial liabilities measured at amortised cost - due to banks" relating to transactions with banks (excluding central banks).
- The liability item **"On-Balance-Sheet Financial Liabilities Held for Trading"** includes the portion of financial statement item 20 "Financial Liabilities Held for Trading" net of the amounts relating to derivatives for trading.

- The liability item **"Derivatives"** includes financial statement item 40 "Hedging Derivatives" and the portion related to derivatives in financial statement item 20 "Financial Liabilities Held for Trading".
- The liability item **"Provision for Specific Use"** includes financial statement items 90 "Employee Severance Pay" and 100 "Provisions for Risks and Charges".
- The liability item **"Other Liabilities"** includes financial statement items 50 "Change in Value of Macro-Hedged Financial Liabilities", 70 "Liabilities Associated with Disposal Groups" and 80 "Other Liabilities".
- The liability item **"Shareholders' equity"** includes financial statement items 110 "Valuation reserves", 120 "Redeemable shares", 140 "Reserves", 150 "Share premium", 160 "Capital", 170 "Treasury shares" and 180 "Profit (Loss) for the year".

Reclassified income statement

Reclassified Income Statement				
MONTE DEI PASCHI DI SIENA BANK	31 12 2025	31 12 2024	Change	
			Abs.	%
Net interest income	2,079.4	2,178.8	(99.4)	-4.6%
Net fee and commission income	1,552.2	1,431.2	121.0	8.5%
Income from banking activities	3,631.6	3,610.0	21.6	0.6%
Dividends, similar income and gains (losses) on investments	457.8	53.1	404.6	n.m.
Net profit (loss) from trading, the fair value measurement of assets/liabilities and Net gains (losses) on disposals/repurchases	197.4	133.9	63.5	47.4%
Net profit (loss) from hedging	(0.4)	(0.9)	0.5	-55.6%
Other operating income (expenses)	17.8	14.1	3.7	26.5%
Total Revenues	4,304.2	3,810.3	494.0	13.0%
Administrative expenses:	(1,658.4)	(1,625.3)	(33.1)	2.0%
a) personnel expenses	(1,248.3)	(1,196.7)	(51.6)	4.3%
b) other administrative expenses	(410.1)	(428.6)	18.6	-4.3%
Net value adjustments to property, plant and equipment and intangible assets	(143.7)	(156.4)	12.6	-8.1%
Operating expenses	(1,802.1)	(1,781.7)	(20.4)	1.1%
Pre-Provision Operating Profit	2,502.1	2,028.6	473.6	23.3%
Cost of customer credit	(308.7)	(361.4)	52.8	-14.6%
Net impairment (losses)/reversals on securities and loans to banks	0.7	(6.5)	7.2	n.m.
Net operating income	2,194.2	1,660.6	533.5	32.1%
Net provisions for risks and charges	(17.5)	(66.4)	48.9	-73.7%
Other gains (losses) on equity investments	0.2	-	0.2	-
Restructuring costs / One-off costs	(21.5)	(35.6)	14.1	-39.6%
Cost of extraordinary operations	(23.9)	-	(23.9)	-
Risks and charges associated with the SRF, DGS and similar schemes	(7.5)	(73.2)	65.7	-89.8%
DTA Fee	(57.4)	(61.3)	3.8	-6.2%
Net gains (losses) on property, plant and equipment and intangible assets measured at fair value	(22.7)	(27.4)	4.7	-17.2%
Gains (losses) on disposal of investments	5.1	2.7	2.4	88.9%
Profit (Loss) for the year before tax	2,048.9	1,399.4	649.5	46.4%
Tax (expense)/recovery on income from continuing operations	1,055.9	523.5	532.4	n.m.
Net profit (loss) for the year	3,104.8	1,922.9	1,181.9	61.5%

Revenue trends

As at 31 December 2025, the Bank achieved total **Revenues** of **EUR 4,304 mln**, up 13.0% compared to the previous year.

The annual performance of the aggregate was positively impacted by growth in Net fee and commission income (+8.5%, equal to EUR 121.0 mln) and in Other Financial Management Income (EUR +468.6 mln, including Mediobanca's dividend of EUR 414.3 mln), fully offsetting the reduction in Net Interest Income (-4.6%, equal to EUR -99.4 mln), which in 2024 had benefited from interest rates at higher levels. Positive performance also for other operating income and expenses (EUR +3.7 mln).

Net Interest Income as at 31 December 2025 amounted to **EUR 2,079 mln**, compared with EUR 2,179 mln in the previous year, impacted in customer business, despite the growth in average lending volumes, by the reduction in interest rates by the ECB. This effect was only partially offset by lower interest expenses on debt securities issued (by EUR 10.3 mln); In detail, the latter benefit from the lower cost of institutional funding.

Items	31 12 2025	31 12 2024	Chg. Y/Y	
			Abs.	%
Loans to customers measured at amortised cost	1,912.1	2,068.2	(156.1)	-7.5%
Loans to Banks measured at amortised cost	(34.2)	(36.8)	2.6	-7.1%
Loans to Central Banks	106.8	117.8	(11.0)	-9.4%
Government securities and other non-bank issuers at amortised cost	278.2	283.3	(5.1)	-1.8%
Securities issued	(462.6)	(472.9)	10.3	-2.2%
Hedging derivatives	23.9	(0.4)	24.3	n.m.
Trading portfolios	103.0	58.7	44.3	75.5%
Portfolios measured at fair value	6.9	7.5	(0.6)	-8.0%
Financial assets measured at fair value through other comprehensive income	40.3	42.1	(1.8)	-4.3%
Other financial assets and liabilities	105.0	111.3	(6.3)	-5.7%
Net interest income	2,079.4	2,178.8	(99.4)	-4.6%
<i>of which: interest income on impaired financial assets</i>	<i>78.3</i>	<i>101.8</i>	<i>(23.5)</i>	<i>-23.1%</i>

Net fee and commission income as at 31 December 2025, amounting to **EUR 1,552 mln**, showed a significant increase compared to those reported in the previous year (+8.5%, equal to EUR +121.0 mln). The positive performance was recorded in both management/brokerage and advisory activities (+14.4%, equal to EUR +99.2 mln) and in commercial banking activity (+2.9%, equal to EUR +21.8 mln). In particular, within the first fee and commission area, increased contributions came from portfolio distribution and management (EUR +67.0 mln), securities and currency brokerage and placement (EUR +14.2 mln) and distribution of insurance products (EUR +9.0 mln). In the commercial banking area, positive contributions came from fees and commissions on loans (EUR +20.1 mln), fees and commissions relating to ATM services and credit cards (EUR +6.6 mln), and fees and commissions on guarantees (EUR +3.2 mln); conversely, fees and commissions on current accounts (EUR -6.1 mln), other net fees and commissions (EUR -1.2 mln) and collection and payment services (EUR -0.9 mln) were down.

Service/value	31 12 2025	31 12 2024	Chg. Y/Y	
			abs.	%
Loans	270.1	250.0	20.1	8.0%
Current Accounts	206.1	212.2	(6.1)	-2.9%
Payment services	128.4	129.3	(0.9)	-0.7%
Debit and credit cards	79.9	73.3	6.6	9.0%
Guarantees issued and received	34.4	31.2	3.2	10.3%
Other net fees	45.0	46.2	(1.2)	-2.6%
Commercial banking activities	763.8	742.0	21.8	2.9%
Distribution and management portfolio	489.5	422.5	67.0	15.9%
Distribution of insurance product	200.9	191.9	9.0	4.7%
Financial advisors	(0.5)	-	(0.5)	-
Placement of currency and securities	76.7	62.5	14.2	22.7%
Other management and advisory fees and commissions	21.8	12.2	9.6	78.7%
Fees from management and advisory activities	788.4	689.2	99.2	14.4%
Net fees and commission income	1,552.2	1,431.2	121.0	8.5%

Dividends, similar income and gains (losses) on investments amounted to EUR 458 mln, up from EUR 53 mln in 2024, mainly due to the contribution from the subsidiary Mediobanca SpA of EUR 414 mln.

Net profit (loss) from trading, fair value measurement of assets/Liabilities and gains on disposals/repurchases at 31 December 2025 amounted to **EUR 197 mln**, an increase of EUR 64 mln compared to the previous year's figures. The analysis of the main aggregates shows the following:

- Net profit (loss) from trading was positive for EUR 125 mln, compared to a result of EUR +133 mln recorded in the previous year, which also incorporated the positive effects resulting from the early termination of certain hedge accounting positions, as part of the net interest income stabilisation strategy.
- **Net result of other assets/liabilities measured at fair value through the income statement** amounting to **EUR +2 mln**, compared to EUR +10 mln in 2024.
- **Gains on disposals/repurchases** (excluding loans to customers at amortised cost) amounted to **EUR +71 mln**, compared to EUR -9 mln in 2024, benefiting in the current year from gains realised as part of financial portfolio optimisation strategies.

Items	31 12 2025	31 12 2024	Chg. Y/Y	
			Abs.	%
Financial assets held for trading	14.5	82.1	(67.5)	n.m.
Financial liabilities held for trading	2.4	(0.3)	2.7	n.m.
Exchange rate effects	34.7	10.0	24.7	n.m.
Derivatives	72.9	41.2	31.7	76.9%
Net profit (loss) from trading	124.5	133.0	(8.4)	-6.3%
Net profit (loss) from other financial assets and liabilities measured at fair value through profit or loss	1.7	10.0	(8.3)	-83.0%
Disposal / repurchase (excluding loans to customers measured at amortised cost)	71.2	(9.1)	80.3	n.m.
Net profit (loss) from trading, the fair value measurement of assets/liabilities and Net gains (losses) on disposals/repurchases	197.4	133.9	63.6	47.5%

The following items are also included in Revenues:

- **Net profit (loss) from hedging** amounted to EUR -0.4 mln, compared to a result of EUR -0.9 mln achieved in the previous year.
- **Other operating income/expenses** positive for **EUR 18 mln** (compared to EUR +14 mln achieved in the previous year).

Operating expenses: operating expenses

As at 31 December 2025, **Operating expenses** amounted to EUR 1,802 mln, up compared to 31 December 2024 (+1.1%), mainly due to the effects of the renewal of the national collective labour agreement (CCNL) for banking staff on personnel expenses, partially offset by the efficient management of Other administrative expenses. A closer look at the individual aggregates reveals the following:

- **Administrative expenses** amounted to **EUR 1,658 mln** and increased compared to 31 December 2024 (+2.0%). A breakdown of the aggregate shows:
 - **Personnel Expenses**, amounting to **EUR 1,248 mln**, were higher than those recorded in the previous year (+4.3%), mainly due to the costs associated with the second and third pay increases provided for by the aforementioned renewal of the national collective labour agreement (CCNL) for banking staff (effective from 1 September 2024 and 1 June 2025, respectively) and to higher provisions for the variable remuneration component, in line with the 2024–2028 Strategic Plan;
 - **Other Administrative Expenses**, amounting to **EUR 410 mln**, were down compared to 31 December 2024 (-4.3%), due also to the implementation of a rigorous expenditure management process and the focus on cost optimisation actions.
- **Net value adjustments to property plant and equipment** amounted to **EUR 144 mln** as at 31 December 2025 and were down compared to 31 December 2024 (-8.1%).

Type of transaction	31 12 2025	31 12 2024	Chg Y/Y	
			Abs.	%
Wages and salaries	(904.9)	(860.0)	(44.9)	5.2%
Social-welfare charges	(240.4)	(232.3)	(8.1)	3.5%
Other personnel expenses	(103.0)	(104.4)	1.4	-1.3%
Personnel expenses	(1,248.3)	(1,196.7)	(51.6)	4.3%
Taxes	(226.5)	(208.1)	(18.4)	8.8%
Furnishing, real estate and security expenses	(67.3)	(72.5)	5.2	-7.2%
General operating expenses	(151.0)	(156.7)	5.7	-3.6%
Information technology expenses	(104.9)	(108.4)	3.5	-3.2%
Legal and professional expenses	(60.3)	(59.7)	(0.6)	1.0%
Indirect personnel costs	(5.3)	(4.8)	(0.5)	10.4%
Insurance	(14.1)	(15.3)	1.2	-7.8%
Advertising, sponsorship and promotions	(1.2)	(1.0)	(0.2)	20.0%
Other	(4.8)	(8.7)	4.0	-45.5%
Expenses recovery	225.3	206.6	18.7	9.1%
Other administrative expenses	(410.1)	(428.6)	18.6	-4.3%
Property, plant and equipment	(84.9)	(95.2)	10.2	-10.8%
Intangible assets	(58.8)	(61.2)	2.4	-3.9%
Net value adjustments to property, plant and equipment and intangible assets	(143.7)	(156.4)	12.6	-8.1%
Operating expenses	(1,802.1)	(1,781.7)	(20.4)	1.1%

As a result of the above-mentioned dynamics, the Bank's **Gross Operating Result** amounts to **EUR 2,502 mln** (EUR 2,029 mln at 31 December 2024).

Cost of customer credit

At 31 December 2025, the Bank recognised a **cost of customer credit** equal to **EUR 309 mln**, down compared to EUR 361 mln recorded in the previous year.

As at 31 December 2025, the ratio between the cost of customer credit and the sum of Loans to customers and the value of securities deriving from transfer/securitisation transactions of non-performing loans expresses a **Provisioning Rate of 38 bps** (47 bps at 31 December 2024).

Items	31 12 2025	31 12 2024	Chg. Y/Y	
			Abs.	%
Loans to customers measured at amortised cost	(308.0)	(354.5)	46.5	-13.1%
Modification gains/(losses)	(4.6)	(9.9)	5.3	-53.5%
Gains/(losses) on disposal/repurchase of loans to customers measured at amortised cost	1.3	0.5	0.8	n.m.
Net change of Loans to customers mandatorily measured at fair value	(0.5)	(1.3)	0.8	-61.5%
Net provisions for risks and charges on commitments and guarantees issued	3.1	3.8	(0.7)	-18.4%
Cost of customer credit	(308.7)	(361.4)	52.7	-14.6%

The **net operating income** of the Bank as at 31 December 2025 was **positive at EUR 2,194 mln**, compared to a value of EUR +1,661 mln recorded in the previous year.

Non-operating income, tax and net profit (loss) for the year

The **Net profit (loss) for the year** included the following items:

- **Other net provisions for risks and charges** amounted to **EUR -17 mln** as at 31 December 2025, down from EUR -66 mln recognised in the previous year.
- **Gains (losses) on equity investments** were substantially nil both in the 2025 financial year and in the previous financial year.
- **Restructuring costs/One-off costs** amounted to EUR -22 mln, **compared to the contribution of EUR -36 mln in 2024**. These charges include, in particular, the effect of discounting the costs connected with departures through the Early Retirement Scheme or access to the Solidarity Fund and charges relating to project initiatives connected to the Industrial Plan.
- **Costs of extraordinary operations** amounted to EUR -24 mln and include the ancillary costs of the OPAS relating to the component not attributable to shareholders' equity, and other charges consequent to the extraordinary transaction.
- **Risks and charges associated with SRF, DGS and similar schemes** amounted to **EUR -8 mln** as at 31 December 2025, relating to FITD (Italian Interbank Deposit Protection Fund) for EUR -5.3 mln and to the insurance guarantee fund for life business for EUR -2.2 mln.
- **DTA fee**, equal to **EUR -57 mln** at 31 December 2025 (EUR -61 mln at 31 December 2024). The amount, determined according to the criteria of Italian Law Decree 59/2016 converted into Law no. 119 of 30 June 2016, represents the fee accruing as at 31 December 2025 on DTA (*Deferred Tax Assets*) convertible into tax credits.
- **Net gains (losses) on property, plant and equipment and intangible assets measured at fair value**, amounting to **EUR -23 mln** at 31 December 2025, as a result of the update to property valuations, compared to the loss of EUR -27 mln recognised in 2024.
- **Gains (losses) on disposals of investments** amounted to EUR +5 mln as at 31 December 2025 compared to EUR +3 mln in the previous year.

As a result of the dynamics highlighted above, the Bank's **profit for the year before tax** amounted to **EUR 2,049 mln**, up 46.4% compared to the figure of EUR 1,399 mln recorded in 2024.

Income taxes for the year recorded a positive contribution of **EUR 1,056 mln** (positive contribution of EUR 524 mln as at 31 December 2024). The change is mainly attributable to the full revaluation of DTA previously not recognised in the financial statements, determined by the increase in earnings prospects following the acquisition of the Mediobanca Group, net of taxation relating to the profit or loss for the year.

Following the dynamics described above, the **profit of Banca Monte dei Paschi di Siena amounted to EUR 3,105 mln** as at 31 December 2025, compared to a profit of EUR 1,923 mln achieved in 2024.

Reclassified balance sheet

Reclassified Balance Sheet				
Assets	31 12 2025	31 12 2024	Chg	
			abs.	%
Cash and cash equivalents	14,949.5	12,976.6	1,972.9	15.2%
Loans to central banks	637.7	560.8	76.9	13.7%
Loans to banks	2,494.0	2,485.1	8.9	0.4%
Loans to customers	80,820.5	77,537.6	3,282.9	4.2%
Securities assets	18,477.3	17,387.2	1,090.1	6.3%
Derivatives	3,427.1	2,418.4	1,008.7	41.7%
Equity investments	16,216.1	662.1	15,554.0	n.m.
Property, plant and equipment/Intangible assets	2,137.3	2,177.5	(40.2)	-1.8%
Tax assets	3,786.6	2,525.5	1,261.1	49.9%
Other assets	2,227.8	3,315.8	(1,088.0)	-32.8%
Total assets	145,173.9	122,046.6	23,127.3	18.9%

Liabilities	31 12 2025	31 12 2024	Chg	
			abs.	%
Direct funding	93,346.1	89,872.7	3,473.4	3.9%
a) Due to customers	81,876.5	79,950.2	1,926.3	2.4%
b) Securities issued	11,469.6	9,922.5	1,547.1	15.6%
Due to central banks	9,009.8	8,510.9	498.9	5.9%
Due to banks	7,926.4	5,322.1	2,604.3	48.9%
On-balance-sheet financial liabilities held for trading	1,421.9	1,618.0	(196.1)	-12.1%
Derivatives	1,672.9	1,380.8	292.1	21.2%
Provisions for specific use	927.9	989.1	(61.2)	-6.2%
a) Provision for staff severance indemnities	67.4	69.3	(1.9)	-2.7%
b) Provision related to guarantees and other commitments given	146.5	149.6	(3.1)	-2.1%
c) Pension and other post-retirement benefit obligations	3.0	3.3	(0.3)	-9.1%
d) Other provisions	711.0	766.9	(55.9)	-7.3%
Tax liabilities	12.3	-	12.3	-
Other liabilities	2,834.6	3,068.4	(233.8)	-7.6%
Net equity	28,022.0	11,284.6	16,737.4	n.m.
a) Valuation reserves	38.2	52.6	(14.4)	-27.4%
d) Reserves	3,754.2	1,855.6	1,898.6	n.m.
e) Share premium	3,146.6	-	3,146.6	-
f) Share capital	17,978.2	7,453.5	10,524.7	n.m.
h) Net profit (loss) for the year	3,104.8	1,922.9	1,181.9	61.5%
Total Liabilities and Shareholders' Equity	145,173.9	122,046.6	23,127.3	18.9%

Customer funding

At 31 December 2025, the Bank's **total Funding** amounted to **EUR 194.2 bn**, up by EUR 9.1 bn compared to 31 December 2024, both in Direct funding (EUR +3.5 bn) and Indirect funding (EUR +5.6 bn).

Customer Funding				
	31 12 2025	31 12 2024	Chg Y/Y	
			Abs.	%
Direct funding	93,346.1	89,872.7	3,473.4	3.9%
Indirect funding	100,812.5	95,211.6	5,600.9	5.9%
Total funding	194,158.6	185,084.3	9,074.3	4.9%

In more detail, volumes of **Direct funding** stood at **EUR 93.3 bn** and increased by EUR 3.5 bn compared to the values at the end of December 2024. The growth concerned current accounts (EUR +3.4 bn) and bonds (EUR +1.6 bn), while repos (EUR -1.0 bn) and, to a lesser extent, time deposits (EUR -0.3 bn) and other forms of Direct Funding (EUR -0.2 bn) declined.

Direct funding				
Type of transaction	31 12 2025	31 12 2024	Change Y/Y	
			Abs.	%
Current accounts	67,289.3	63,933.3	3,356.0	5.2%
Time deposits	5,057.8	5,336.1	(278.3)	-5.2%
Reverse repurchase agreements	5,846.9	6,800.1	(953.2)	-14.0%
Bonds	11,469.6	9,922.5	1,547.1	15.6%
Other types of direct funding	3,682.5	3,880.7	(198.2)	-5.1%
Total	93,346.1	89,872.7	3,473.4	3.9%

Indirect funding amounted to **EUR 100.8 bn** at the end of December, up by EUR 5.6 bn compared to 31 December 2024, driven by both Assets under management (AUM) (EUR +3.0 bn) and Assets under custody (AUC) (EUR +2.6 bn). Both components benefited from market effect and positive net inflows.

Indirect Funding				
	31 12 2025	31 12 2024	Change Y/Y	
			Abs.	%
Assets under management	57,055.8	54,074.5	2,981.3	5.5%
<i>Funds</i>	28,525.5	25,545.6	2,979.9	11.7%
<i>Individual Portfolio under Management</i>	5,144.7	4,989.9	154.8	3.1%
<i>Bancassurance</i>	23,385.6	23,539.1	-153.5	-0.7%
Assets under custody	43,756.7	41,137.1	2,619.6	6.4%
<i>Government securities</i>	19,245.8	18,577.8	668.0	3.6%
<i>Others</i>	24,510.9	22,559.3	1,951.6	8.7%
Total funding	100,812.5	95,211.6	5,600.9	5.9%

Loans to customers

As at 31 December 2025, the Bank's **Loans to customers** amounted to EUR 80.8 bn, up compared to the end of December 2024 (EUR +3.3 bn), mainly due to the growth in mortgages (EUR +4.0 bn) and, to a lesser extent, repos (EUR +0.2 bn). Other loans (EUR -0.5 bn), current accounts (EUR -0.1 bn) and non-performing loans (EUR -0.3 bn) were down.

Loans to customers				
Type of transaction	31 12 2025	31 12 2024	Change Y/Y	
			Abs.	%
Current accounts	2,526.3	2,631.1	(104.6)	-4.0%
Mortgages	53,652.2	49,604.6	4,046.0	8.2%
Other forms of lending	15,872.6	16,411.4	(537.4)	-3.3%
Repurchase agreements	7,194.8	7,035.2	159.6	2.3%
Non performing loans	1,574.6	1,855.3	(280.7)	-15.1%
Total	80,820.5	77,537.6	3,282.9	4.2%
Stage 1	70,318.5	65,537.1	4,781.4	7.3%
Stage 2	8,798.3	10,003.1	(1,204.8)	-12.0%
Stage 3	1,572.0	1,851.9	(279.9)	-15.1%
Purchased or originated credit impaired financial assets	1.8	2.2	(0.4)	-18.2%
Performing loans measured at fair value	128.5	141.2	(12.7)	-9.0%
Non-performing loans measured at fair value	1.4	2.1	(0.7)	-33.3%

	31 12 2025			31 12 2024			Chg. Y/Y	
	Stage 1	Stage 2	Total loans to customers measured at amortised cost	Stage 1	Stage 2	Total loans to customers measured at amortised cost	Stage 1	Stage 2
Loans to customers measured at amortised cost								
Gross exposure	70,487.2	9,136.5	82,721.4	65,647.7	10,350.7	79,551.4		
Adjustments	168.7	338.2	2,030.8	110.6	347.6	2,157.1		
Net exposure	70,318.5	8,798.3	80,690.6	65,537.1	10,003.1	77,394.3		
Coverage ratio	0.2%	3.7%	2.5%	0.2%	3.4%	2.7%	0.0%	0.3%
% on Loans to customers measured at amortised cost	87.1%	10.9%	100.0%	84.7%	12.9%	100.0%	2.4%	-2.0%

Non-performing exposures of loans to customers

The **Total Non-Performing Loans to Customers** of the Bank as at 31 December 2025 amounted to **EUR 3.1 bn** in terms of Gross Exposure, down compared to 31 December 2024 (EUR -0.5 bn). In particular:

- The gross exposure of bad loans, amounting to EUR 1.1 bn, decreased compared to 31 December 2024 (EUR 1.2 bn);
- The Gross exposure of Unlikely to pay exposures, amounting to EUR 2.0 bn, was lower compared to 31 December 2024 (EUR 2.2 bn).
- The Gross exposure of Non-performing past-due loans, amounting to EUR 48.4 mln, recorded a decrease compared to EUR 89.3 mln as at 31 December 2024.

At 31 December 2024, the Bank's **Net exposure in terms of non-performing loans to customers** was **EUR 1.6 bn**, down compared to the figure as at 31 December 2024 (amounting to EUR 1.9 bn).

Loans to customers		Bad loans	Unlikely to pay	Non-performing Past due Loans	Total Non-performing loans to customers	Performing loans	Total loans to customers
31 12 2025	Gross exposure	1,062.5	1,990.2	48.4	3,101.1	79,752.7	82,853.8
	Adjustments	663.4	849.4	13.7	1,526.5	506.8	2,033.3
	Net exposure	399.1	1,140.8	34.7	1,574.6	79,245.9	80,820.5
	Coverage ratio	62.4%	42.7%	28.3%	49.2%	0.6%	2.5%
	% on Loans to customers	0.5%	1.4%	0.0%	1.9%	98.1%	100.0%
31 12 2024	Gross exposure	1,242.2	2,229.3	89.3	3,560.8	76,140.5	79,701.3
	Adjustments	815.6	865.1	24.8	1,705.5	458.2	2,163.7
	Net exposure	426.6	1,364.2	64.5	1,855.3	75,682.3	77,537.6
	Coverage ratio	65.7%	38.8%	27.8%	47.9%	0.6%	2.7%
	% on Loans to customers	0.6%	1.8%	0.1%	2.4%	97.6%	100.0%

Capital adequacy

Regulatory capital and statutory requirements

Categories / Values	31 12 2025	31 12 2024	Chg. 31 12 2024	
			Abs.	%
OWN FUNDS				
Common Equity Tier 1 (CET1)	21,968.6	8,541.7	13,426.9	157.19%
Tier 1 (T1)	21,968.6	8,541.7	13,426.9	157.19%
Tier 2 (T2)	1,089.4	1,111.1	(21.7)	-1.95%
Total capital (TC)	23,058.0	9,652.8	13,405.2	138.87%
RISK-WEIGHTED ASSETS				
Credit and Counterparty Risk	51,137.0	36,075.8	15,061.2	41.75%
Credit valuation adjustment risk	494.7	261.6	233.1	89.11%
Market risks	2,150.0	1,840.2	309.8	16.84%
Operational risk	7,286.8	9,445.7	(2,158.9)	-22.86%
Total risk-weighted assets	61,068.5	47,623.3	13,445.2	28.23%
CAPITAL RATIOS				
CET1 capital ratio	35.97%	17.94%	18.04%	
Tier1 capital ratio	35.97%	17.94%	18.04%	
Total capital ratio	37.76%	20.27%	17.49%	

Prospects and outlook on operations

Please refer to the corresponding section of the Consolidated Report on Operations, the contents of which are also valid for the Bank.

SEPARATE FINANCIAL STATEMENTS - draft

Balance Sheet

		(Euro units)	
Assets		31 12 2025	31 12 2024
10.	Cash and cash equivalents	14,949,542,368	12,976,582,464
20.	Financial assets measured at fair value through profit or loss	8,225,716,884	6,576,882,795
	a) financial assets held for trading	7,845,909,674	6,123,391,603
	c) other financial assets mandatorily measured at fair value	379,807,210	453,491,192
30.	Financial assets measured at fair value through other comprehensive income	1,836,393,995	2,337,360,237
40.	Financial assets measured at amortised cost	94,206,799,291	91,415,420,995
	a) Loans to banks	4,087,069,823	3,783,551,145
	b) Loans to customers	90,119,729,468	87,631,869,849
50.	Hedging derivatives	720,716,324	59,383,967
60.	Change in value macro-hedged financial assets (+/-)	(907,761,044)	(373,500,290)
70.	Equity investments	16,182,131,849	662,090,150
80.	Property, plant and equipment	1,967,582,432	2,042,944,695
90.	Intangible assets	134,807,599	134,585,495
100.	Tax assets	3,786,565,418	2,525,462,564
	a) current	65,335,994	102,190,557
	b) deferred	3,721,229,423	2,423,272,007
110.	Non-current assets held for sale and disposal groups	935,927,856	107,528,542
120.	Other assets	3,135,471,412	3,581,835,181
Total assets		145,173,894,384	122,046,576,795

continues: Balance Sheet

(Euro units)

Total Liabilities and Shareholders' Equity		31 12 2025	31 12 2024
10.	Financial liabilities measured at amortised cost	110,155,883,244	103,586,021,710
	a) due to banks	16,936,200,881	13,832,982,610
	b) due to customers	81,876,533,399	79,445,143,205
	c) debts securities issued	11,343,148,964	10,307,895,895
20.	Financial liabilities held for trading	2,878,643,429	2,652,477,543
30.	Financial liabilities designated at fair value	126,418,161	119,670,368
40.	Hedging derivatives	216,241,437	346,336,703
50.	Change in value of macro-hedged financial liabilities (+/-)	-	(691,978)
60.	Tax liabilities	12,280,671	-
	a) current	12,280,671	-
80.	Other liabilities	2,834,437,320	3,069,168,186
90.	Provision for employees severance pay	67,447,585	69,329,924
100.	Provisions for risks and charges:	860,487,991	919,803,842
	a) financial guarantees and other commitments	146,500,179	149,621,531
	b) post-employment benefits	2,991,232	3,254,748
	c) other provisions	710,996,580	766,927,563
110.	Valuation reserves	38,239,204	52,554,625
140.	Reserves	3,754,235,357	1,855,556,842
150.	Share premium reserve	3,146,576,345	-
160.	Share capital	17,978,187,187	7,453,450,788
180.	Profit (loss) (+/-) for the year	3,104,816,453	1,922,898,242
Total Liabilities and Shareholders' Equity		145,173,894,384	122,046,576,795

Income statement

		(unit of Eur)	
Items		31 12 2025	31 12 2024
10. Interest income and similar revenues		3,823,208,017	4,648,861,773
<i>of which interest income calculated applying the effective interest rate method</i>		3,231,226,598	3,841,065,127
20. Interest expense and similar charges		(1,743,819,570)	(2,470,139,787)
30. Net interest income		2,079,388,447	2,178,721,986
40. Fee and commission income		1,721,154,223	1,595,447,706
50. Fee and commission expense		(170,860,325)	(165,546,650)
60. Net fee and commission income		1,550,293,898	1,429,901,056
70. Dividends and similar income		463,859,445	58,322,891
80. Net profit (loss) from trading		118,466,764	127,843,785
90. Net profit (loss) from hedging		(416,051)	(930,858)
100. Gains/losses) on disposal/repurchase of:		72,476,799	(8,571,316)
a) financial assets measured at amortised cost		65,608,582	(7,677,200)
b) financial assets measured at fair value through other comprehensive income		7,084,107	(269,535)
c) financial liabilities		(215,890)	(624,581)
110. Net profit (loss) from financial assets and liabilities measured at fair value through profit or loss		(32,111,549)	9,317,627
a) financial assets and liabilities measured at fair value		2,158,990	1,520,708
b) other financial assets mandatorily at fair value through profit or loss		(34,270,539)	7,796,919
120. Net interest and other banking income		4,251,957,753	3,794,605,171
130. Net impairment (losses)/reversals on		(274,008,760)	(361,646,878)
a) financial assets measured at amortised cost		(272,377,559)	(360,983,934)
b) financial assets measured at fair value through other comprehensive income		(1,631,201)	(662,944)
140. Modification gains/(losses)		(4,636,163)	(9,913,667)
150. Net income from banking activities		3,973,312,830	3,423,044,626
160. Administrative expenses:		(1,996,906,406)	(2,003,078,660)
a) personnel expenses		(1,284,664,732)	(1,225,092,407)
b) other administrative expenses		(712,241,674)	(777,986,253)
170. Net provision for risks and charges:		(11,760,163)	(61,283,145)
a) commitments and guarantees issued		3,121,352	3,838,128
b) other net provisions		(14,881,515)	(65,121,273)
180. Net adjustments to/recoveries on property, plant and equipment		(86,354,024)	(95,495,681)
190. Net adjustments to/recoveries on intangible assets		(58,816,831)	(61,227,821)
200. Other operating expenses/income		246,889,946	222,089,389
210. Operating expenses		(1,906,947,478)	(1,998,995,918)
220. Gains (losses) on investments		187,027	(3,707)
230. Valuation differences on property, plant and equipment and intangible assets measured at fair value		(22,659,282)	(27,365,504)
250. Gains (losses) on disposal of investments		5,052,232	2,669,724
260. Profit (loss) before tax from continuing operations		2,048,945,329	1,399,349,221
270. Tax (expense)/recovery on income from continuing operations		1,055,871,124	523,549,021
280. Profit (loss) after tax from continuing operations		3,104,816,453	1,922,898,242
300. Profit (loss) for the year		3,104,816,453	1,922,898,242

Statement of comprehensive income

		(Euro units)	
	Items	31 12 2025	31 12 2024
10.	Profit (loss) for the year	3,104,816,453	1,922,898,242
	Other comprehensive income after tax not recycled to profit or loss	(9,815,234)	(5,740,806)
20.	Equity instruments measured at fair value through other comprehensive income	21,013	(55,582)
30.	Financial liabilities designated at fair value through profit or loss (change in the entity's own credit risk)	(2,429,675)	(3,444,577)
50.	Property, plant and equipment	(2,661,241)	(10,709,565)
70.	Defined benefit plans	824,519	489,769
80.	Non-current assets held for sale and disposal groups	(5,569,850)	7,979,149
	Other comprehensive income after tax recycled to profit or loss	(4,500,186)	38,225,939
110.	Exchange differences	(2,795,039)	1,410,533
120.	Cash flow hedges	(12,458,323)	6,522,324
140.	Financial assets (other than equity securities) measured at fair value through other comprehensive income	10,753,176	30,293,082
170.	Total other comprehensive income after tax	(14,315,420)	32,485,133
180.	Total comprehensive income (Item 10+170)	3,090,501,033	1,955,383,375

Statement of changes in shareholders' equity – 2025

	Balance sheet as at 31 12 2024	Change in opening balance	Balance sheet as at 01 01 2025	Allocation of profit from prior year		Change during the year								Total comprehensive income as at 31 12 2025	Total equity as at 31 12 2025
				year		Shareholder's equity transactions									
				Reserves	Dividends and other payment	Change in reserves	Issue of new shares	Purchase of treasury shares	Extraordinary distribution of dividends	Change in equity instruments	Treasury share derivatives	Stock options	Change in equity investments		
Share capital	7,453,450,788	-	7,453,450,788	-	-	-	10,524,736,398	-	-	-	-	-	-	-	17,978,187,186
a) ordinary shares	7,453,450,788	-	7,453,450,788	-	-	-	10,524,736,398	-	-	-	-	-	-	-	17,978,187,186
b) other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share premium	-	-	-	-	-	-	3,146,576,345	-	-	-	-	-	-	-	3,146,576,345
Reserves	1,855,556,842	-	1,855,556,842	839,565,095	-	(78,541,102)	1,137,654,522	-	-	-	-	-	-	-	3,754,235,357
a) profits	1,353,491,935	-	1,353,491,935	839,565,095	-	6,387,186	-	-	-	-	-	-	-	-	2,199,444,216
b) others	502,064,907	-	502,064,907	-	-	(84,928,288)	1,137,654,522	-	-	-	-	-	-	-	1,554,791,141
Valuation reserves	52,554,625	-	52,554,625	-	-	-	-	-	-	-	-	-	-	(14,315,420)	38,239,205
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net profit(loss)	1,922,898,242	-	1,922,898,242	(839,565,095)	(1,083,333,147)	-	-	-	-	-	-	-	-	3,104,816,453	3,104,816,453
Total equity	11,284,460,497	-	11,284,460,497	-	(1,083,333,147)	(78,541,102)	14,808,967,265	-	-	-	-	-	-	3,090,501,033	28,022,054,546

As at 31 December 2025, the Bank's Shareholders' equity amounted to EUR 28,022.1 mln compared to EUR 11,284.5 mln as at 31 December 2024, an overall net increase of EUR 16,737.6 mln.

The increase is attributable, in addition to the combined effect of the payment of the dividend relating to the 2024 financial year, which took place in May, and the profit achieved, amounting to EUR 3,104.8 mln, to the effects of the acquisition of the Mediobanca Group, which resulted in the recognition of a total amount of EUR 14,808.9 mln (net of ancillary costs and related tax effects) attributable to the capital increase serving the OPAS, of which: a) EUR 10,524.7 mln recognised in Share capital, b) EUR 3,146.6 mln in Share premium and c) EUR 1,137.6 mln in Other reserves.

The item "Reserves – other" includes the extraordinary contribution, amounting to EUR 84.9 mln, for the tax redemption of the excess profits reserve, as permitted by the transitional provisions set out in Law 199/2025 (art. 1, paragraphs 69 to 73).

Statement of changes in shareholders' equity – 2024

	Balance sheet as at 31 12 2023	Change in opening balance	Balance sheet as at 01 01 2024	Allocation of profit from prior year		Change during the year								Total comprehensive income as at 31 12 2024	Total equity as at 31 12 2024
				Reserves	Dividends and other payment	Shareholder's equity transactions									
						Change in reserves	Issue of new shares	Purchase of treasury shares	Extraordinary distribution of dividends	Change in equity instruments	Treasury share derivatives	Stock options	Change in equity investments		
Share capital	7,453,450,788	-	7,453,450,788	-	-	-	-	-	-	-	-	-	-	-	7,453,450,788
a) ordinary shares	7,453,450,788	-	7,453,450,788	-	-	-	-	-	-	-	-	-	-	-	7,453,450,788
b) other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share premium	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reserves	146,612,410	-	146,612,410	1,706,602,590	-	2,341,842	-	-	-	-	-	-	-	-	1,855,556,842
a) profits	(226,598,229)	-	(226,598,229)	1,578,602,231	-	1,487,933	-	-	-	-	-	-	-	-	1,353,491,935
b) others	373,210,639	-	373,210,639	128,000,359	-	853,909	-	-	-	-	-	-	-	-	502,064,907
Valuation reserves	20,069,492	-	20,069,492	-	-	-	-	-	-	-	-	-	-	32,485,133	52,554,625
Equity instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net profit (loss)	2,021,525,017	-	2,021,525,017	(1,706,602,590)	(314,922,427)	-	-	-	-	-	-	-	-	1,922,898,242	1,922,898,242
Total equity	9,641,657,707	-	9,641,657,707	-	(314,922,427)	2,341,842	-	-	-	-	-	-	-	1,955,383,375	11,284,460,497

As at 31 December 2024, the Bank's Shareholders' equity amounted to EUR 11,284.5 mln, compared to EUR 9,641.7 mln as at 31 December 2023, with an overall net increase of EUR 1,642.8 mln. This trend is mainly due to: (i) the profit for the year amounting to EUR 1,922.9 mln, and (ii) to the positive net change in valuation reserves, equal to EUR 32.4 mln, mainly attributable to the revaluation of debt securities measured at *fair value* through other comprehensive income.

Cash flow statement - indirect method

(Euro units)

A. OPERATING ACTIVITIES	31 12 2025	31 12 2024
1. Cash flow from operations	2,714,112,159	1,961,381,380
Profit (loss) (+/-)	3,104,816,453	1,922,898,242
Capital gains/losses on financial assets held for trading and on assets/liabilities designated at fair value (+/-)	59,813,187	(159,000,223)
Net profit (loss) from hedging	416,050	930,858
Net impairment losses/reversals	417,292,282	511,831,808
Net adjustments/recoveries on property, plant and equipment and on intangible assets (+/-)	167,830,137	184,089,006
Net provisions for risks and charges and other costs/revenues (+/-)	21,410,978	71,466,952
Unpaid charges, tax and tax credit	(1,055,871,123)	(523,549,021)
Other adjustments	(1,595,805)	(47,286,242)
2. Cash flow from (used in) financial assets	(5,272,787,609)	(123,629,314)
Financial assets held for trading	(1,747,611,339)	(40,119,742)
Other financial assets measured at fair value mandatory	35,668,989	(80,606,701)
Financial assets measured at fair value through other comprehensive income	566,462,677	99,249,677
Financial assets measured at amortised cost	(3,899,618,640)	(709,045,648)
Other assets	(227,689,296)	606,893,100
3. Cash flow from (used in) financial liabilities	5,952,609,299	(1,600,121,167)
Financial liabilities measured at amortised cost	6,597,982,338	(1,204,029,146)
Financial liabilities held for trading	226,598,056	(251,898,079)
Financial liabilities designated at fair value	5,288,790	4,736,174
Other liabilities	(877,259,885)	(148,930,116)
Net cash flow from (used in) operating activities	3,393,933,849	237,630,899
B. INVESTMENT ACTIVITIES		
1. Cash flow from	476,382,896	104,812,913
Dividends collected on equity investments	444,453,752	35,600,020
Sales of property, plant and equipment	31,929,144	69,212,893
2. Cash flow used in	(717,612,777)	(58,927,837)
Purchase of equity investments	(638,900,453)	(18,619)
Purchase of property, plant and equipment	(30,270,957)	(27,757,288)
Purchase of intangible assets	(48,441,367)	(31,151,930)
Net cash flow from (used in) investment activities	(241,229,881)	45,885,076
C. FUNDING ACTIVITIES		
Issue/purchase of treasury shares	(96,410,917)	-
Dividend distribution and other	(1,083,333,147)	(314,922,427)
Net cash flow from (used in) funding activities	(1,179,744,064)	(314,922,427)
NET CASH FLOW FROM (USED IN) OPERATING, INVESTMENT AND FUNDING ACTIVITIES DURING THE YEAR	1,972,959,904	(31,406,452)

Reconciliation

Accounts	31 12 2018	31 12 2024
Cash and cash equivalents at beginning of year	12,976,582,464	13,007,988,916
Total net cash flows generated (used) in the year	1,972,959,904	(31,406,452)
Cash and cash equivalents at end of the year	14,949,542,368	12,976,582,464

The information required by IAS 7 paragraph 44 A and B is shown below.

Balance Sheet Items	31 12 2024	Cash Flows	Non-monetary changes		31 12 2025
			Fair Value Changes	Other	
10. Financial liabilities at amortised cost	103,586,021,710	6,597,982,338	-	(28,120,804)	110,155,883,244
20. Financial liabilities held for trading	2,652,477,543	226,598,057	(432,171)	-	2,878,643,429
30. Financial liabilities designated at fair value	119,670,368	5,288,790	1,459,004	-	126,418,162
Total	106,358,169,621	6,829,869,185	1,026,833	(28,120,804)	113,160,944,835

Notes to the Separate financial statements

Part A - Accounting policies

A.1 – General

Section 1 - Statement of compliance with international accounting standards

These financial statements of the company, pursuant to Italian Legislative Decree no. 38 of 28 February 2005, have been prepared in accordance with the IFRS accounting standards issued by the *International Accounting Standards Board* and the related interpretations of the *IFRS Interpretations Committee* as adopted by the European Union, as established by EC Regulation no. 1606 of 19 July 2002 and in force as at 31 December 2025.

The application of the international accounting standards was carried out by also referring to the “Systematic Framework for the preparation and presentation of financial statements” (Conceptual Framework), the Implementation Guidance and Basis for Conclusions documents and any other documents prepared by the IASB or IFRIC to complete the accounting standards issued.

For an overview of the accounting standards and related interpretations endorsed by the European Commission, whose application is scheduled for the 2025 financial year (or future financial years), please refer to the following “Section 4 – Other Aspects”, which also illustrates the main impacts for the Bank.

To the extent applicable, the communications of the Supervisory Bodies (Bank of Italy, ECB, Consob and ESMA) and the interpretative documents on the application of IAS/IFRS prepared by the Organismo Italiano di Contabilità (OIC) [Italian Accounting Body], the Associazione Bancaria Italiana (ABI) [Italian Banking Association] were also taken into account, in which recommendations are provided on the information to be provided in the Financial Report, on certain aspects of greater importance in the accounting field, on the uncertainties in the economy and on climate risk related impacts.

Section 2 - General accounting standards

The Financial Statements consist of the balance sheet, income statement, statement of comprehensive income, statement of changes in equity, the cash flow statement and the notes to the financial statements – which include relevant information about the accounting standards applied – and are accompanied by the directors' report on operations, financial results achieved, and the Bank's equity and financial situation.

The financial statements of the company as at 31 December 2025 have been prepared based on the provisions contained in Circular no. 262 of 22 December 2005 issued by the Bank of Italy "Bank financial statements: layout and rules for compilation", as amended by the eighth update of 17 November 2022.

The Bank has also noted that in the Bank of Italy communication of the Bank of Italy of 14 March 2023 "Update of the provisions of Circular no. 262 - Bank financial statements: layout and rules for preparation" regarding the impacts of COVID-19 and measures to support the economy", which requests, in free format, financial statement disclosure on the loans subject to public guarantee.

The Financial Statements have been prepared based on a going concern assumption, according to the generally accepted principles of accrual accounting, relevance and materiality of information, priority of substance over form and with a view to encouraging consistency with future statements.

The Separate Financial Statements are prepared with transparency and provide a true and fair view of the financial situation and results for the year.

If the information required by international accounting standards and provisions contained in the aforementioned circular were deemed insufficient for providing a true and fair representation, the Notes to the Financial Statements contain supplemental information necessary for that purpose.

If – in exceptional cases – the application of a provision set forth in the international accounting standards proved to be incompatible with a true and fair view of the Group's financial position and result of operations, then such provision would not be applied. The reasons for any deviation and its impact on the representation of the financial position and result of operations would, in such a case, be explained in the notes to the financial statements.

Each item in the balance sheet, income statement and statement of comprehensive income also indicates the amount for the prior year, unless an accounting standard or interpretation allows or provides otherwise.

The financial statement templates provide, in addition to the accounting data as at 31 December 2025, the comparative information relating to the last financial statements approved as at 31 December 2024.

Assets and liabilities, expenses and income cannot be mutually offset, unless this is permitted or required by the international accounting standards or the provisions set forth in Circular no. 262 of the Bank of Italy.

The balance sheet, income statement, and statement of comprehensive income do not include items which did not have balances for the reference year or prior year. If an item of the assets or liabilities is part of several items of the balance sheet, the notes to the financial statements indicate – whenever this is necessary for the purpose of intelligibility – that this component may also be referred to items other than the one it is posted to.

Revenue is posted with no sign in the income statement, statement of comprehensive income, and the respective section of the notes, whereas expenses are indicated in brackets.

The statement of comprehensive income, beginning with profit (loss) for the year, shows the income items recognised as contra-entries of valuation reserves, net of the related tax effect, in compliance with international accounting standards. Comprehensive income is shown by separating income items that will not be transferred to the income statement in the future and those that may be subsequently classified in profit (loss) for the year when specific conditions are met.

The statement of changes in equity shows the breakdown and changes in net equity accounts during the financial year and the previous financial year, broken down between share capital (ordinary shares), capital reserves, profit reserves and reserves from the valuation of assets or liabilities, equity instruments and profit or loss. Treasury shares in the portfolio are deducted from equity.

The cash flow statement has been prepared according to the indirect method, based on which cash flows from operations are represented by the net profit (loss) for the year adjusted to take into account the effects of non-monetary transactions. Cash flows are broken down amongst those deriving from operations, those deriving from investment activities and those generated by funding activities. In the statement, cash flows generated during the financial year have no sign, while those absorbed are shown between brackets.

In compliance with the provisions of art. 5 of Legislative Decree no. 38 of 28 February 2005, the financial statements have been prepared using the Euro as the reporting currency: the financial statements are denominated in units of Euro and the notes to the financial statements are denominated in EUR thousands.

Items of a different nature or with different allocation were recognised separately, unless they were considered irrelevant. All amounts shown in the financial statements were adjusted so as to reflect any events subsequent to the reporting date for which an adjustment is mandatory, according to IAS 10 (adjusting events). Non-adjusting events that do not require adjustment and therefore reflect circumstances that occurred after the reporting date (non adjusting events) are disclosed in Section 3 of this Part A when relevant and capable of influencing the economic decisions of users.

Going concern

These Financial Statements were prepared under the going concern assumption. After assessment of the evolution of the equity and liquidity positions, with regard to the indications provided in Document no. 2 of 6 February 2009 and Document no. 4 of 3 March 2010, issued jointly by the Bank of Italy, Consob and ISVAP, and subsequent amendments, the Directors can reasonably expect that the Bank will continue operating as a going concern in the foreseeable future and therefore consider it appropriate to use the going concern assumption in the preparation of these financial statements.

Section 3 – Events after the Reporting Date

It should be noted that the significant events that occurred in the period between the reporting date (31 December 2025) and the date of approval of the draft financial statements by the Board of Directors (10 March 2026), are entirely attributable to “*non adjusting events*” pursuant to IAS 10, i.e. events that do not entail any adjustments to the balances in the financial statements, as they are the expression of situations arising after the reporting date.

For a complete discussion of the aforementioned events, please refer to the section ‘Significant Events after the end of the year’ included in the Consolidated Report on Operations.

Section 4 – Other Matters

Interest rate benchmark reform

As at 31 December 2025, the Bank has completed the project activities for the adaptation of management and accounting systems to the new Alternative Reference Rates in replacement of the IBOR indices, as required by Regulation (EU) 2016/1011 (Benchmark Regulation). The benchmark rate reform in Europe has concluded, with two rates now being published daily and fully compliant with the Benchmark Regulation: the Euribor rate for maturities up to 12 months, administered by EMMI (European Money Market Institute), and the €STR rate for the overnight maturity, calculated and published by the ECB. Below is a summary of the key milestones in the process.

Final discontinuation of LIBOR

- LIBOR (all currencies): the publication of LIBOR has officially ended; rates in GBP, JPY, CHF and EUR, together with certain USD tenors, ceased on 31 December 2021.
- USD LIBOR: the final USD tenors ceased on 30 June 2023. The “synthetic” versions (used temporarily for legacy contracts that were hard to amend) were finally discontinued by 30 September 2024.

Situation in the Eurozone (Euribor and €STR)

Unlike LIBOR, Euribor was not discontinued, but was significantly reformed.

- Hybrid Euribor: continues to be used thanks to a “hybrid” calculation methodology that prioritises actual transactions.
- €STR (Euro Short-Term Rate): is the new “overnight” reference rate that replaced EONIA from January 2022 and is the main fallback parameter for contracts based on Euribor.

Regulatory updates 2025

In 2025, Regulation (EU) 2025/914 was published, amending the Benchmark Regulation (EU) 2016/1011, narrowing the scope of application to critical, significant and climate benchmarks and to specific commodity indices, excluding non-significant benchmarks from 2026, and introducing greater flexibility in the use of third-country indices no longer subject to the Regulation. The amendments will be fully effective from 2026 and affect the processes for selecting, monitoring and using benchmarks relevant to banking operations.

At the same time, the new art. 118-bis of the Consolidated Banking Law (TUB), which transposes art. 28(2) of the Benchmark Regulation, has been fully implemented, requiring intermediaries to adopt, publish and update replacement plans, as well as to include specific fallback clauses in contracts and to promptly inform customers in the event of a change in or cessation of the benchmark used. The integration between the European reform and national legislation strengthens operational continuity and contractual certainty in cases where benchmarks are replaced.

The ESEF (European Single Electronic Format) for the preparation of annual financial reports

Commission Delegated Regulation (EU) no. 2019/815 (the “ESEF Regulation”), which amends the Transparency Directive no. 2004/109/EC, provides that issuers whose securities are admitted to trading on regulated markets of the European Union must prepare annual financial reports in the ESEF single electronic reporting format approved by ESMA, which combines the XHTML language (for presenting annual financial reports in a format readable by human users) and “machine readable” XBRL markups (*eXtensible Business Reporting Language*). This format, to facilitate accessibility, analysis and comparability of consolidated financial statements prepared under IFRS, requires mapping the information

contained in the consolidated financial statements only (basic identification data, balance sheet, income statement, statement of comprehensive income, statement of changes in equity and cash flow statement) and in the consolidated notes according to the *Inline eXtensible Business Reporting Language* (iXBRL) specifications contained in the base taxonomy issued by ESMA (2024 version). Taking into account that the Annual Financial Report also includes the Parent Company's financial statements, the entire document is prepared in XHTML format.

The Annual Financial Report, drawn up in compliance with the ESEF Regulation, was approved by the Board of Directors of Banca MPS on 10 March 2026 and will be made public within the time limits established by law. For further details, please refer to the same section of 'Part A Accounting policies - A.1 General Part' of the Notes to the Consolidated Financial Statements.

ESMA Priorities 2025

In October 2025, ESMA published the European Common Enforcement Priorities (ECEP) for the 2025 financial statements, highlighting the thematic areas of particular relevance for 2025 disclosures. The priorities are divided into specific sections with regard to: i) annual financial report, ii) sustainability reporting, iii) ESEF reporting and iv) general considerations and reminders included in previous years' statements.

With regard to the enforcement priorities for the 2025 annual financial report, these mainly concern topics linked to geopolitical risks and uncertainties and to segment reporting.

In particular, ESMA calls for generic references to geopolitical uncertainties to be avoided and for the events and circumstances that affect valuations and results to be described precisely, thereby providing entity-specific information. The objective is to ensure that information in the financial statements reflects not only the accounting snapshot, but also companies' strategic resilience. ESMA also invites companies to assess whether it is necessary to provide additional information, beyond that required by IFRS, to enable investors to fully understand the impact of such risks on financial position, cash flows and results.

The Authority also calls for greater transparency in segment reporting (IFRS 8). The objective is to ensure that information on different businesses is consistent and accompanied by clear explanations of the criteria used to identify and aggregate segments. Geopolitical tensions and climate challenges, the Authority stresses, may change the organisation of businesses and make it necessary to update the way revenues and results are presented. ESMA therefore asks companies to provide detailed data on revenues and costs for each segment, also specifying extraordinary or significant items, and to be transparent about the geographical distribution of revenues and exposure to major customers—information essential for assessing true diversification and the risks of the business model.

For ESEF reporting, ESMA focuses on correct tagging, in particular of the cash flow statement, on proper management of extensions and anchoring, on signs and numerical scale, and on duplications and improper links. Such errors distort the accuracy of information, undermining the readability and reliability of the data.

Among the general considerations, ESMA highlights the need for consistency between financial and sustainability information, for example in estimates of climate impacts. It also draws attention to the imminent amendments to IFRS standards; specifically, to the effective date of those concerning IFRS 9 and IFRS 7, which relate to the classification of financial instruments with variable returns linked to ESG targets and the settlement of liabilities using electronic payment systems. To be prepared, issuers should promptly analyse the potential impact and disclose any expected material effects in their 2025 financial statements. It also notes the need to start assessing the impact of IFRS 18 on financial statements, reporting systems and communications. Finally, issuers will have to ensure stability and transparency in defining alternative performance measures (APMs), avoiding opportunistic adjustments linked to the geopolitical context.

On 6 March 2025, Consob and the Bank of Italy published the joint document "Crypto-assets and financial statement disclosure", requesting issuers that purchase crypto-assets to provide in their financial statements information useful for understanding the effects of such assets on their equity, economic and financial position, where relevant. It is required, in particular, to assess whether the crypto-assets held fall within the classification of cryptocurrencies addressed by the IFRS IC and therefore constitute intangible assets under IAS 38, or, if they are held for sale in the ordinary course of business, constitute inventory to be accounted for under IAS 2. Regulators recommend exercising particular caution in measuring cryptocurrencies in the financial statements and providing all information necessary to enable users of the financial statements to understand the risks associated with these assets and the accounting policies adopted. In the case of crypto-assets that do not fall within the category of cryptocurrencies, their specific

characteristics must be assessed to determine the appropriate accounting treatment and, where relevant, adequate disclosure must be provided in the financial statements, together with the nature of such assets and the risks they may entail for the issuer's economic and equity position. Finally, the authorities ask issuers to provide relevant information on the assumptions used to determine the related carrying amounts.

As at 31 December 2025, the Bank did not have any cryptocurrency transactions in place. Below is an illustration of the new accounting standards or amendments to existing standards approved by the IASB, as well as new interpretations or amendments to existing ones published by IFRIC, with separate disclosure of those applicable in the 2025 financial year from those that may be adopted in subsequent financial years.

[List of IAS/IFRS international accounting standards and related SIC/IFRIC interpretations endorsed for mandatory application as from the 2025 financial statements](#)

Regulation (EU) 2024/2862, of 13 November 2024, endorsed the amendment to IAS 21 **"The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability"**, published by the IASB on 15 August 2023. The amendment clarifies when a currency is convertible or not convertible into another currency, how to estimate the exchange rate if the currency is not convertible, and the disclosures to be made in the notes to the financial statements.

The amendment will become effective on 1 January 2025, but early adoption is permitted.

The aforementioned amendment did not have any significant impact on the Bank's financial position or performance.

On 28 November 2025, the IASB published the amendment to the illustrative examples of IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37 **"Disclosures about Uncertainties in the Financial Statements Disclosures about Uncertainties in the Financial Statements"**, which represents the final version of the document already published last July. The document contains a series of illustrative examples on the presentation of uncertainties, including the effects of climate change, in financial reporting. The amendment is not subject to endorsement, has no effective date but, as clarified by the IASB itself, must be applied promptly in the preparation of the financial statements.

[List of IAS/IFRS international accounting standards and related SIC/IFRIC interpretations endorsed whose mandatory application starts after 31 December 2025](#)

Regulation (EU) 2025/1047 of 28 May 2025 endorsed the amendment to IFRS 9 and IFRS 7, titled **"Amendments to the Classification and Measurement of Financial Instruments"**. The amendments to the two standards clarify certain critical aspects of the classification and measurement of financial instruments pursuant to IFRS 9 that emerged from the post-implementation review of the standard. In particular, the amendments addressed:

- the classification of financial instruments with variable returns linked to ESG objectives. On this topic, the IASB has listed some examples of financial instruments to determine whether the SPPI requirement is met. More specifically:
 - an arrangement whereby interest is to be paid if the borrower meets a contracted ESG target (e.g. to reduce carbon emissions) is consistent with a basic lending arrangement and, therefore, enables a positive assessment;
 - an arrangement that provides for the adjustment of an market variable-linked interest rate (e.g. the carbon price index) does not compensate the lender for the risks and costs associated with lending the principal amount; therefore, it does not qualify as a basic lending arrangement.
- settling financial liabilities using an electronic payment system. The amendments permit liability to be settled in cash using an electronic payment system before the settlement date (by exception from the applicable rules) only when the payment instruction issued by the entity:
 - a) cannot be withdrawn, stopped or cancelled;
 - b) the cash to be used for settlement of the payment instruction cannot be accessed and
 - c) the settlement risk associated with the electronic payment system is insignificant (i.e. when a standard procedure is used to execute the payment instruction and there is a short period between the fulfilment requirements (a) and (b) and the delivery of the cash to the counterparty. However, the settlement risk is not insignificant if the execution of the payment instruction is contingent on the entity's ability to deliver cash on the settlement date.

With these amendments to IFRS 9 - *Financial Instruments*, the IASB also introduced additional disclosure requirements to improve transparency for the benefit of investors as regards equity instruments for which the option has been exercised for the recognition of changes in fair value in the statement of comprehensive income (OCI election) and

financial instruments with contingent characteristics, e.g. associated with ESG-linked objectives. The amendments apply to financial years beginning on or after 1 January 2026.

The aforementioned amendments are not expected to have a significant impact on the Bank's equity, financial and economic situation.

Regulation (EU) 2025/1266 of 1 July 2025 endorsed the amendment to IFRS 9 and IFRS 7 titled **"Contracts Referencing Nature-dependent Electricity"**, published by the IASB on 18 December 2024, with the aim of including in financial reporting specific disclosure requirements for this type of contract.

Nature-dependent contracts relate to the procurement of electricity from renewable sources and are characterised by contractual terms that expose the company to variability in the quantity of underlying electricity, as the electricity generation source depends on uncontrollable natural conditions (e.g. wind, sun, etc.); these may include both 'buy or sell' contracts and financial instruments referencing electricity. Such contracts are often structured as long-term energy purchase agreements (*"Power Purchase Agreements - PPA"*) that:

- provide a quantity of electricity generated by the nature-dependent energy source to the purchaser at a fixed unit price (*"physical PPAs"*) in addition to environmental certificates; or
- contain a swap that pays out the net difference between a fixed-price cash flow and a variable-price cash flow related to a quantity of nature-dependent energy source (*"virtual PPPs"* or *"VPPAs"*) and provide the corresponding environmental certificates.

A unique feature of these PPAs is that whether and how much electricity is generated by the reference plant at any given time is determined by the nature-dependent sources. The IASB's amendments:

- introduce guidelines to assess whether contracts meet *"own use"* requirements and, therefore, can continue to be considered to be held for the purpose of the receipt of energy in accordance with the entity's expected usage requirements, thus exempting the contract from the accounting treatment provided for contracts to buy or sell non-financial items and therefore the classification as financial instruments to be measured at *fair value*. This occurs if the entity has been, and expects to be, a net purchaser of electricity for the contract period, that is, if it purchases sufficient electricity to offset any sales of unused electricity in the same market in which it sold the electricity;
- The integration of the hedge accounting treatment provided under IFRS 9, where the contract is designated as a hedging instrument in a cash flow hedge relationship. In this case, it is possible to designate as the hedged item the variable nominal amount of forecast electricity transactions, so that it is aligned with the variable amount of the volume of electricity expected to be delivered by the generation facility, as indicated in the hedging instrument;
- The introduction of specific disclosures with regard to contracts to purchase energy from natural sources that meet *"own use"* requirements.

The amendments apply as of 1 January 2026. Early application is permitted. In particular, the changes relating to the *"own use"* exemption apply retrospectively under IAS 8, while the changes relating to hedge accounting treatment apply prospectively to relationships designated on or after the date of first application.

The aforementioned amendment is not expected to have a significant impact on the Bank's financial position and equity.

Finally, Regulation (EU) 2025/1331 of 9 July 2025 endorsed the document **"Annual Improvements Volume 11"**, published by the IASB on 18 July 2024, which includes clarifications, simplifications, corrections, and minor amendments to IFRS standards aimed at enhancing consistency. These concerned the following accounting standards:

- IFRS 1 **"First-time Adoption of International Financial Reporting Standards"**,
- IFRS 7 **"Financial Instruments" Disclosures** and Guidance on implementing IFRS 7,
- IFRS 9 **"Financial Instruments"**,
- IFRS 10 **"Consolidated Financial Statements"**; and
- IAS 7 **"Statement of Cash Flow"**.

The amendments apply as of 1 January 2026. Early application is permitted.

No significant effect on the Bank's financial statements is expected from the adoption of this document.

On 9 April 2024, the IASB published IFRS 18 **"Presentation and Disclosure in Financial Statements"** adopted by Regulation (EU) 2026/338 of 16 February 2026, which replaces IAS 1 *"Presentation of Financial Statements"*. The new standard establishes the presentation and disclosure requirements for financial statements with the aim of making the

information more transparent and comparable and to ensure that it faithfully represents the assets, liabilities, shareholders' equity, revenues and costs of the entity.. The main changes compared to IAS 1 are:

- the classification of income and expenses in five categories (operating, investing, financing, income taxes, discontinued operations) based on the core business activities of the entity;
- new statement items with sub-totals (operating profit; profit before financing and income taxes);
- increased obligations relating to the aggregation and disaggregation of information based on characteristics that agree (or not) with financial statement items; in particular, with regard to expenses to be presented within the "operating" category, items must be presented in the most useful way possible, choosing between a classification by nature, by function, or a combination of both;
- the introduction of disclosure requirements for the inclusion of performance measurement indices (MPMs), i.e. financial performance indices based on a total or subtotal required by IFRS, with certain adjustments (i.e. "adjusted profit or loss").

The new standard also involves limited amendments to other standards, including IAS 7 "**Statement of Cash Flows**", IAS 33 "**Earnings per Share**" and IAS 34 "**Interim Financial Reporting**".

Application becomes effective from 1 January 2027; Pursuant to IAS 34, the entity will be required to present its income statement in compliance with IFRS 18 requirements in the 2027 half-yearly financial statements.

The aforementioned amendments, affecting the presentation of the income statement and financial statement disclosures, will need to be appropriately coordinated with Bank of Italy Circular no. 262. In addition to the impacts in terms of a different presentation of disclosures, the introduction of the standard under review is not expected to have any impacts on the Bank's equity, financial position or results of operations.

IAS/IFRS international accounting standards and related SIC/IFRIC interpretations issued by the IASB and still awaiting approval from the European Commission

On 9 May 2024, the IASB published IFRS 19 "**Subsidiaries without Public Accountability: Disclosures**". Under certain conditions, the new standard allows subsidiaries that apply the international accounting standards to provide reduced financial statement disclosures, thus lowering their financial statement preparation costs. In order to apply the standard, the subsidiary: i) it must not have "public accountability", meaning it has not issued, is not in the process of issuing, equity or debt instruments in a regulated market, and does not hold assets in a fiduciary capacity for a broad group of outsiders; and ii) it must have a parent company, either ultimate or intermediate, that prepares consolidated financial statements in accordance with international accounting standards. On 21 August 2025, the IASB published an amendment to IFRS 19 to allow further reductions in the disclosures required under certain standards that were not considered at the time IFRS 19 was first issued.

The application of IFRS 19 is optional for eligible subsidiaries and enters into force from 1 January 2027.

The adoption of this standard is not expected to have a significant impact on the Bank's financial statements.

On 13 November 2025, the IASB published the amendment to IAS 21 "**The Effects of Changes in Foreign Exchange Rates: translation to a Hyperinflationary Presentation Currency**". The document clarifies how to perform the conversion from a non-hyperinflationary currency to a hyperinflationary currency.

Application becomes effective from 1 January 2027 and early application is permitted.

The adoption of this standard is not expected to have a significant impact on the Bank's financial statements.

A.2 – Part relating to the main items of the financial statements

Accounting standards

The following is a description of the accounting standards that have been adopted with reference to the main asset and liability items for the preparation of the financial statements as at 31 December 2025 with reference to the stages of classification, recognition, measurement and derecognition of the various asset and liability items, as well as for the methods of recognising revenues and costs. These principles are aligned with those adopted for the preparation of the comparative financial statements as at 31 December 2024.

1 Financial assets measured at fair value through profit or loss (FVTPL)

a) classification criteria

These assets include financial assets other than those classified under “Financial assets measured at fair value through other comprehensive income” and “Financial assets measured at amortised cost”. The item in particular includes:

- debt securities or loans that are included in an “Other” Business Model, i.e., a procedure for managing financial assets that does not have the objective of collecting contractual cash flows (“Held to Collect” business model) or collecting contractual cash flows and selling financial assets (“Hold to Collect and Sell” business model);
- debt securities, loans and units of UCITS whose contractual terms do not exclusively provide for repayments of principal and interest on the amount of principal to be repaid (i.e., that do not pass the so-called Solely Payment of Principal and Interest (SPPI) test);
- equity instruments that cannot be classified as representing control, affiliation, and joint control, held for trading purposes or for which, upon initial recognition, the fair value through other comprehensive income option was not chosen;
- derivative contracts, recognised in financial assets held for trading, that are recognised as assets if the fair value is positive, or liabilities if the fair value is negative.

With reference to the latter, it is possible to offset current positive and negative values deriving from outstanding transactions with the same counterparty - including in the case of derivative contracts allocated to the trading portfolio and hedging derivative contracts, as required by Circular 262 - only if the legal right to offset the amounts recognised is currently in place and the entity intends to proceed with the net settlement of offsetting positions.

More detailed information is provided below on the three sub-items that comprise this category, represented by: “Financial assets held for trading”, “Financial assets measured at fair value”, and “Other financial assets mandatorily measured at fair value”.

Financial assets held for trading

Financial assets (debt securities, equity securities, loans, units of UCITS) are classified as held for trading purposes if they are managed with the objective of generating cash flows through their sale, as they are:

- acquired for the purpose of selling them in the short-term;
- part of a portfolio of financial instruments that are managed on an individual basis and for which there is proven existence of a strategy targeted at earning a profit in the short term.

It also includes derivatives with a positive fair value not designated as having an accounting hedge relationship. Derivative contracts include those embedded in complex financial instruments, in which the primary contract is a financial liability, which were subject to separate accounting as:

- their economic characteristics and risks are not strictly related to the characteristics of the underlying contract;
- the embedded instruments, even if separate, satisfy the definition of derivative;
- hybrid instruments to which they belong are not measured at fair value with the relative changes posted to the income statement.

Financial assets designated at fair value

A financial asset (debt securities and loans) can be designated at fair value irrevocably at the time of initial recognition, only when this designation makes it possible to eliminate or significantly reduce a measurement inconsistency (“accounting mismatch”). This category is not used by the Bank at present.

Other Financial assets mandatorily measured at fair value

Other Financial assets mandatorily measured at fair value represent a residual category and include:

- debt securities and loans, when: i) the relative contractual cash flows do not represent solely payments of principal and interest on the residual principal (SPPI test failed), or ii) are not held as part of a Business Model whose objective is the ownership of assets for purposes of collecting contractual cash flows ("Hold to Collect" Business Model) or those whose objective is achieved either by collecting contractual cash flows or by selling financial assets ("Held to Collect and Sell" Business Model);
- UCITS units;
- equity securities held for purposes other than trading for which the option of classification at fair value through other comprehensive income is not exercised.

b) recognition criteria

Initial recognition of financial assets occurs at settlement date for debt securities, equities and units of UCITS, at disbursement date for loans, and at trade date for derivative contracts. Upon initial recognition, financial assets measured at fair value through profit or loss are recognised at fair value, which usually corresponds to the amount paid, without considering transaction costs or revenues directly attributable to the instrument, which are directly recognised in the income statement.

c) measurement criteria

After initial recognition, financial assets measured at fair value through profit or loss are recorded at fair value, with changes recognised as an offsetting entry in the income statement.

To determine the fair value of financial instruments listed on an active market, market prices recorded at the reporting date are used. In the absence of an active market, commonly adopted estimation methods and valuation models are used, which take into account all the risk factors related to the instruments and which are based on data recorded on the market such as: valuation of listed securities with similar characteristics, discounted cash flow calculations, option pricing models and values recognized in recent comparable transactions. For equity securities and derivatives on equity securities that are not listed on an active market, the cost criterion is used as an estimate of the fair value only on a residual basis and limited to rare circumstances, i.e., if none of the measurement models previously mentioned can be applied, or if there is a wide range of possible fair value measurements, in which case the cost represents the most meaningful estimate.

For further information on the criteria for determining the fair value, please refer to Section "A.4 Information on Fair Value" of Part A of these Notes to the consolidated financial statements.

d) revenue recognition criteria

The interest of the three sub-items that comprise this category is recorded under item "10 - Interest income and similar revenues".

Realised gains and losses, the gains and losses from measurements for "Financial assets held for trading", including derivatives associated with financial assets/liabilities measured at fair value, are booked to the income statement under item "80 - Net trading income (expenses)". These income effects pertaining to "Financial liabilities measured at fair value" as well as "Other Financial assets mandatorily measured at fair value" are booked to the income statement under item "110 - Net profit/loss from financial assets and liabilities measured at fair value through profit and loss", in the sub-items "a) financial assets and liabilities measured at fair value" and "b) other Financial assets mandatorily measured at fair value", respectively.

e) derecognition criteria

Financial assets are derecognised from financial statements: i) upon expiration of the contractual rights on the cash flows resulting from the assets, or ii) when the financial assets are sold and all related risks/benefits are transferred. However, if a relevant portion of the risks and benefits associated with disposed financial receivables have been maintained, they continue to be posted in the financial statements, even if legal ownership of the asset has been effectively transferred.

If it is not possible to ascertain a substantial transfer of risks and benefits, the financial assets are derecognised when control of the assets has been surrendered. Conversely, if such control has been maintained, even partly, the assets should continue to be recognised to the extent of residual involvement, as measured by the exposure to the changes in value of the assets disposed and to the changes in their cash flows.

Finally, disposed financial assets are derecognised if the contractual rights to receive the cash flows are maintained and a contractual obligation is simultaneously undertaken to pay only said flows, without a significant delay, to third parties.

f) reclassification criteria

According to the general rules established by IFRS 9 on reclassifying financial assets (with the exception of equity securities, for which reclassification is not permitted), reclassifications to other categories of financial assets are not permitted unless the entity changes its Business Model for managing financial assets. In these cases, which are expected to be highly infrequent, financial assets may be reclassified from the category 'measured at fair value through profit or loss' to one of the other two categories envisaged by IFRS 9 (financial assets measured at amortised cost or financial assets measured at fair value through other comprehensive income). The transfer value is represented by the fair value at the time of the reclassification and the effects of the reclassification apply prospectively from the reclassification date. In this case, the effective interest rate of the reclassified financial asset is calculated based on its fair value at the reclassification date and this date is considered as the initial recognition date in assigning it to the various credit risk stages (stage assignment) for purposes of impairment.

For more information on classification criteria for financial instruments, please refer to the section "Classification criteria for financial assets" below.

2 Financial assets designated at fair value through other comprehensive income (FVTOCI)**a) classification criteria**

This category includes financial assets represented by:

- debt securities, managed as part of a "Hold to collect and sell" business model and whose contractual flows represent only payments of principal and interest on the residual capital (SPPI test passed);
- equity instruments (not qualifiable as control, association and joint control), held as part of a Business Model other than trading for which the option for recognition in the individual instrument was irrevocably exercised at the time of initial recognition of the individual instrument, the option for recognition in the statement of comprehensive income from changes in fair value after initial recognition (OCI election).

b) recognition criteria

Financial assets are initially recognised on the date of settlement, with reference to debt or equity instruments, and on the date of disbursement with reference to loans.

On initial recognition, the assets are measured at their fair value, which normally corresponds to the price paid, inclusive of transaction costs or income directly attributable to the instrument.

c) measurement criteria

Financial assets represented by debt securities and loans, following initial recognition, continue to be measured at *fair value*, with recognition in the income statement of interest (based on the effective interest rate method), *expected credit losses* and any exchange rate effect, while other gains or losses arising from a change in *fair value* are allocated to a specific shareholders' equity reserve net of the related tax effect (item "110 - valuation reserves"). Upon cancellation of the financial asset, the accumulated profits or losses in the valuation reserve will be subject to recycling to the Income Statement (item "100. Gains (losses) on disposal / repurchase of: b) financial assets measured at fair value through other comprehensive income).

Financial assets represented by equity instruments, following initial recognition, continue to be measured at *fair value* with changes recognised in a specific shareholders' equity reserve net of the related tax effect (item "110 - valuation reserves"). The amounts recognised in this reserve will never be transferred to the income statement, even in the event of a sale; in this case, a reclassification is made to another Shareholders' equity item (item "140 - Reserves"). Furthermore, no write-down to the income statement is envisaged for these assets as they are not subject to any impairment process. The only component of these equity securities that is recognised in the income statement is represented by the related dividends (item "70 - Dividends and similar income").

For equity securities included in this category, which are not listed on an active market, the cost criterion is used as an estimate of the fair value only on a residual basis and limited to rare circumstances, i.e., if none of the measurement models previously mentioned can be applied, or if there is a wide range of possible fair value measurements, in which case the cost represents the most meaningful estimate.

For further information on the criteria for determining the fair value, please refer to Section "A.4 Information on *Fair Value*" of Part A of these Notes to the financial statements.

Financial assets measured at fair value through other comprehensive income - both in the form of debt securities and loans - are subject to verification of the significant increase in credit risk (impairment) as required by IFRS 9, similar to assets measured at amortised cost, with the consequent recognition in the income statement of a value adjustment to cover expected losses. In summary, an estimated loss at one year is recognised, at the initial recognition date and at every subsequent reporting date, on instruments classified in stage 1 (i.e., on financial assets at the origination date, if not impaired, and on instruments for which there has not been a significant increase in credit risk compared to the initial recognition date). Instead, for instruments classified in stage 2 (performing, for which there has been a significant increase in credit risk compared to the initial recognition date) and stage 3 (non-performing exposures) an expected loss is recorded for the entire residual life of the financial instrument. Conversely, equity securities are not subject to the impairment test.

For more detailed information, please refer to the subsequent paragraph "Use of estimates and assumptions when preparing financial statements - Methods for calculating impairment on IFRS 9 financial instruments".

d) revenue recognition criteria

As regards financial instruments represented by debt instruments:

- interest is recorded under item "10 - Interest income and similar revenues";
- expected credit losses recognised for the year are accounted for in item "130 - "Net impairment losses/reversals on credit risk of: (b) financial assets measured at fair value through other comprehensive income as a balancing entry to the specific Shareholders' equity valuation reserve ("110. Valuation reserves"); the same applies to recoveries of part or all of the write-downs made in previous financial years;
- at the moment of derecognition, valuations accumulated in the specific equity reserve are reversed to the income statement under item "100 - Gains/losses from disposal/repurchase of: b) financial assets measured at fair value through other comprehensive income".

As regards financial instruments represented by equity instruments, for which the "OCI election", only dividends are recognised in the income statement (item "70 - dividends and similar income").

e) derecognition criteria

Financial assets are derecognised from financial statements: i) upon expiration of the contractual rights on the cash flows resulting from the assets, or ii) when the financial assets are sold and all related risks/benefits are transferred. However, if a relevant portion of the risks and benefits associated with disposed financial receivables have been maintained, they continue to be posted in the financial statements, even if legal ownership of the asset has been effectively transferred.

If it is not possible to ascertain a substantial transfer of risks and benefits, the financial assets are derecognised when control of the assets has been surrendered. Conversely, if such control has been maintained, even partly, the assets should continue to be recognised to the extent of residual involvement, as measured by the exposure to the changes in value of the assets disposed and to the changes in their cash flows.

Finally, disposed financial assets are derecognised if the contractual rights to receive the cash flows are maintained and a contractual obligation is simultaneously undertaken to pay only said flows, without a significant delay, to third parties.

f) reclassification criteria

According to the general rules established by IFRS 9 on reclassifying financial assets (with the exception of equity securities, for which reclassification is not permitted), reclassifications to other categories of financial assets are not permitted unless the entity changes its Business Model for managing financial assets. In these cases, which are expected to be highly infrequent, financial assets may be reclassified from the category 'measured at fair value through other comprehensive income' to one of the other two categories envisaged by IFRS 9 (financial assets measured at amortised cost or financial assets measured at fair value through profit or loss). The transfer value is represented by the fair value at the time of the reclassification and the effects of the reclassification apply prospectively from the reclassification date. If assets are reclassified from this category to the amortised cost category, the cumulative gain (loss) recorded in the valuation reserve is adjusted to the fair value of the financial asset at the reclassification date. If, instead, assets are reclassified to the fair value through profit or loss category, the cumulative gain (loss) recorded previously in the valuation reserve is reclassified from shareholders' equity to profit (loss) for the year.

For more information on classification criteria for financial instruments, please refer to the section "Classification criteria for financial assets" below.

3 Financial assets measured at amortised cost

a) classification criteria

Included in this category are financial assets represented by Loans and Debt securities held according to a *business* model whose objective is achieved through the collection of contractually stipulated cash flows (Business Model “Hold to collect”) and whose contractual flows represent only payments of principal and interest on the principal to be repaid (SPPI test passed).

The portfolio of financial assets measured at amortised cost includes:

- the entire portfolio of loans in the various technical forms that satisfy the above requirements (including repurchase agreements), stipulated with both banks and customers;
- debt securities, mainly government bonds, which satisfy the above requirements;
- operating receivables connected with providing financial assets and services as defined in the Consolidated Banking Law and the Consolidated Law on Finance (e.g., for distribution of financial products and servicing activities);
- receivables originating from financial lease transactions which, in accordance with IFRS 16, are recognised as credits as they transfer risks and benefits to the lessee, including the values referring to assets pending financial leasing, such as properties under construction;
- loans to banks and central banks other than “at sight”.

b) recognition criteria

Financial assets are initially recognised on the date of settlement, with reference to debt securities, and on the date of disbursement, with reference to loans. In particular, as far as loans are concerned, the disbursement date normally coincides with the contract execution date. If this coincidence does not occur, at the time of the contract execution, a commitment to disburse funds is recorded, which closes on the date of disbursement of the loan. The initial recognition is based on the fair value of the financial instrument (which is normally equal to the amount disbursed or price of underwriting), inclusive of the costs/income directly related to the individual instruments and determinable as of the transaction date, even if such costs/income are settled at a later date. This does not include costs which have these characteristics but are subject to repayment by the debtor or which can be encompassed in ordinary internal administrative expenses.

Repurchase agreements with forward repurchase or resale obligation are recorded in the Financial Statements as funding or lending transactions. In particular, spot sales and forward repurchase transactions are recognised in the financial statements as payables for the spot amount received, while spot purchase and forward resale transactions are recognised as receivables for the spot amount paid.

c) measurement criteria and revenue recognition criteria

Following initial recognition, financial assets booked to this category are measured at amortised cost using the effective interest rate criterion. This interest is recorded under item “10 - Interest income and similar revenues”. The gross book value is equal to the first-time recognition value:

- less principal repayments;
- less/plus amortisation – calculated using the effective interest rate method – of the difference between the amount disbursed and the amount repayable upon maturity, typically attributable to the costs/income directly charged to each receivable.

The effective interest rate is identified by calculating the rate that equals the present value of future flows of the asset, in terms of principal and interest, to the amount disbursed including the costs/income related to the asset. The estimate of cash flows must take into account all contractual clauses that may affect amounts and maturities, without considering the expected losses on the asset. This accounting method, using a financial logic, makes it possible to distribute the economic effect of all transaction costs, commissions, premiums or discounts considered an integral part of the effective interest rate over the expected residual life of the asset. The amortised cost method is not used for short-term receivables, for which the effect of applying a discounting approach is negligible, for loans without a defined maturity, and for revocation loans. For more details on amortised cost, please refer to the paragraph “amortised cost” included in the paragraph “Other significant accounting practices” below.

The book value of financial assets at amortised cost is adjusted to take into account any provision to cover expected losses (expected credit losses). For each reporting period, the aforementioned assets are subject to impairment testing with the aim of estimating expected losses in value for credit risk (ECL - Expected Credit Losses). These losses are recorded in the income statement under item “130 - Net impairment losses/reversals on credit risk”. If there is no reasonable expectation of recovery, the gross exposure is written-off: in this case, the gross exposure will be reduced by

the amount deemed non-recoverable, as a balancing entry to the reversal of the provision to cover expected losses and impairment losses in the income statement, for the part not covered by the provision. For further details on the accounting treatment of “write-offs”, please refer to the following paragraph on “derecognition criteria”.

More specifically and as better explained in the paragraph “Use of estimates and assumptions when preparing financial statements - Methods for calculating impairment on IFRS 9 financial instruments”, the impairment model classifies the assets into three separate stages (stage 1, stage 2, stage 3), according to trends in the debtor’s creditworthiness, each of which has different criteria for measuring expected losses:

- stage 1: includes performing financial assets for which there has been no significant increase in credit risk with respect to the initial recognition date, or for which credit risk is considered low. Impairment is based on an estimate of expected loss over a one-year time horizon (expected loss that would result from default events on financial assets that are deemed possible within one year of the reference date);
- stage 2: includes performing financial assets that have undergone a significant deterioration in credit risk with respect to initial recognition. Impairment is measured as the estimated expected loss with reference to a timespan equal to the residual life of the financial asset;
- stage 3: represents non-performing financial assets (probability of default equal to 100%), to be assessed based on an estimate of expected loss over instrument’s life.

For performing assets, expected losses are determined according to a collective process based on certain risk parameters represented by the probability of default (PD), the loss rate in the event of default (LGD, Loss Given Default) and the exposure value (EAD, Exposure At Default) deriving from internal models for the calculation of regulatory credit risk, appropriately adjusted in order to take into account the specific requirements envisaged by accounting regulations.

For non-performing assets, i.e., assets for which, in addition to a significant increase in credit risk, objective evidence of impairment has been found, impairment losses are quantified based on an analytical or lump-sum measurement process by homogeneous risk categories, aimed at determining the present value of expected future recoverable cash flows, discounted using the original effective interest rate or a reasonable approximation thereof, if the original interest rate cannot be directly determined.

The non-performing asset category includes exposures assigned with the status of bad loan, unlikely to pay, or past-due/overdrawn for more than ninety days, in accordance with the definitions established by supervisory regulations in effect (Bank of Italy Circular no. 272 “Accounts Matrix”) and referred to in Bank of Italy Circular no. 262, as these definitions are deemed consistent with accounting regulations envisaged in IFRS 9 for objective evidence of impairment.

In the event of sale scenarios, the cash flows are calculated based not only on the forecast of the recoverable amounts through internal management activity, but also on the basis of the flows that can be obtained from any sale on the market, according to the approach described in the subsequent paragraph “Use of estimates and assumptions when preparing financial statements - Methods for calculating impairment on IFRS 9 financial instruments”.

In addition, the expected cash flows include forecasts for collection timing and the realisable value of any guarantees as well as the costs connected with obtaining and selling the guarantee. In this regard, in the event that the Bank uses a third party to collect non-performing loans, the fees paid to the outsourcer for activities strictly related to collection are considered for the purpose of estimating impairment losses. These costs are considered for both non-performing and performing exposures, if for the latter it is probable that in the event of a transfer to bad loans, the collection activities will be assigned to third parties.

For fixed-rate positions, the original effective rate used to discount the expected cash flows from collection, calculated as described above, remains unchanged over time even if there is a change in the contractual rate due to the debtor’s financial difficulties. For floating-rate positions, the rate used to discount cash flows is updated for the indexing parameter (e.g., Euribor), while keeping the fixed spread at the original level.

The financial asset’s original value is restored in subsequent financial years when there is an improvement in the exposure’s creditworthiness compared to that which had led to the previous write-down. The reversal is posted to the same item in the income statement (“130 - Net impairment losses/reversals on credit risk”) and may not, in any case, exceed the amortised cost that the asset would have had without prior adjustments. For more detailed information on the impairment model, please refer to the subsequent paragraph “Use of estimates and assumptions when preparing financial statements - Methods for calculating impairment on IFRS 9 financial instruments”.

For non-performing exposures, accrued interest is calculated based on amortised cost, i.e., using the value of the exposure - calculated with the effective interest rate - adjusted for expected losses. In case of management of non-performing exposures, or of transfer from stage 3 to stage 2 or stage 1, interest will once again be calculated based on the gross exposure value; the positive difference is recognised, as the recovery of previous impairment losses, as an

offsetting entry to item "130. Net impairment losses/reversals on credit risk". The same accounting entry is made in the event that the interest collected is greater than the expected cash flows.

Finally, for non-performing exposures that do not accrue contractual interest, such as bad loans, this interest corresponds to the progressive release of the discounting of collection forecasts, as the effect of the simple passage of time.

d) derecognition criteria

Financial assets are subject to derecognition when: (i) the contractual rights to the cash flows arising therefrom have expired, or when (ii) the financial assets are sold with the substantial transfer of all risks and benefits resulting from the ownership. However, if a relevant portion of the risks and benefits associated with disposed financial receivables have been maintained, they continue to be posted in the financial statements, even if legal ownership of the asset has been effectively transferred.

If it is not possible to ascertain a substantial transfer of risks and benefits, the financial assets are derecognised when control of the assets has been surrendered. Conversely, if such control has been maintained, even partly, the assets should continue to be recognised to the extent of residual involvement, as measured by the exposure to the changes in value of the assets disposed and to the changes in their cash flows.

Disposed financial assets are derecognised if the contractual rights to receive the cash flows are maintained and a contractual obligation is simultaneously undertaken to pay only said flows, without a significant delay, to third parties.

Finally, assets subject to substantial changes, as more fully described in the paragraph "Renegotiations", are derecognised.

With regard to non-performing financial assets, the asset may be derecognised following the acknowledgement of the non-recoverability of the exposure and the resulting closure of the collection process (definitive derecognition), and entails the reduction of the nominal value and of the gross book value of the loan. This case occurs when settlement agreements have been reached with the debtor that entail a reduction in the loan (resolution agreement) or in the presence of specific situations such as, for example:

- a judgement has been handed down by the court that declares the loan all or partially settled;
- the conclusion of bankruptcy or enforcement proceedings against both the principal debtors and guarantors;
- the conclusion of all possible judicial and extra-judicial actions for credit collection;

the completion of a mortgage lien on an asset under guarantee, with the resulting derecognition of the loan guaranteed by the property under lien, in the absence of further specific guarantees or other actions that can be taken to recover the exposure.

These specific situations may result in a full or partial derecognition of the exposure but do not necessarily imply a waiver of the legal right to collect the loan.

In addition, non-performing financial assets may be derecognised following their "write-off", upon acknowledgement that there are no reasonable expectations of collection, while continuing with actions aimed at their recovery. This write-off is carried out in the financial year in which the loan, or part of it, is considered non-recoverable - despite not closing the legal procedure - and can take place before the legal actions taken against the debtor and guarantors for credit collection. It does not imply the waiver of the legal right to collect the loan and is made if the loan documentation contains reasonable financial information indicating that the debtor will be unable to repay the loan amount. In this case, the gross nominal value of the loan remains unchanged, but the gross book value is reduced by an amount equal to the amount to be written off, which may represent the full exposure or a portion of it. The write-off amount cannot be subjected to subsequent write-backs following an improvement in collection forecasts, rather only as the result of amounts effectively collected.

In the event of derecognition, the difference between the book value of the asset at the derecognition date and consideration received, inclusive of any assets received net of any liabilities assumed, must be recognised in the income statement, under item "100. a) Profits/(Losses) from disposal or repurchase of: financial assets measured at amortised cost".

e) reclassification criteria

According to the general rules established by IFRS 9 on reclassifying financial assets, reclassifications to other categories of financial assets are not permitted unless the entity changes its Business Model for managing financial assets. In these cases, which are expected to be highly infrequent, financial assets may be reclassified from the category 'measured at amortised cost' to one of the other two categories envisaged by IFRS 9 (financial assets measured at fair value through other comprehensive income or financial assets measured at fair value through profit or loss). The transfer value is represented by the fair value at the time of the reclassification and the effects of the reclassification apply

prospectively from the reclassification date. Gains or losses resulting from the difference between the amortised cost of the financial asset and the associated fair value are booked to the income statement in the case of reclassification under “Financial assets measured at fair value through profit or loss” and, under equity, in the appropriate valuation reserve, in the case of the reclassification under “Financial assets measured at fair value through other comprehensive income”.

For more information on classification criteria for financial instruments, please refer to the section “Classification criteria for financial assets” below.

4 Hedging transactions

The Bank availed itself of the possibility, envisaged on first-time application of IFRS 9, to continue to use all of the provisions of IAS 39 (carved out version endorsed by the European Commission) as regards hedge accounting for all types of hedge (both micro and macro hedges).

a) reclassification criteria - type of hedge

Risk-hedging transactions are aimed at offsetting any potential losses on a certain financial instrument or group of financial instruments that may arise from a specific risk should it occur. The following types of hedging are included:

- fair value hedges, which are intended to hedge the exposure to changes in fair value of a recognised asset or liability that are attributable to a particular risk. These include generic fair value hedges (macro-hedges) having the objective of reducing fluctuations in fair value due to interest rate risk, of a monetary amount, arising from a portfolio of financial assets and liabilities (including core deposits). Generic hedges cannot be used to cover net amounts resulting from the offsetting of assets and liabilities;
- cash flow hedges, which are intended to hedge the exposure from variability in future cash flows attributable to particular risks associated with a recognised asset or liability or a transaction that is deemed highly likely;
- hedges of a net investment in a foreign operation, which refers to hedging the risks of an investment in a foreign operation denominated in a foreign currency.

Only instruments that involve a counterparty outside the Bank can be designated as hedging instruments. Given the decision of the Bank to avail itself of the option of continuing to fully apply the rules of IAS 39 for hedging relationships, it is not possible to designate equity instruments classified among financial assets measured at *fair value* through other comprehensive income (FVOCI) as hedged items for price or exchange rate risk, since these instruments do not impact, even in the event of sale, the Income statement (except for dividends, which are recognised in the Income statement).

b) recognition criteria

Financial hedging derivatives, just as for all derivatives, are initially recognised at fair value on the date the contract is stipulated and are classified, as a function of their positive or negative value, in the asset item “50. Hedging derivatives” or in the liability item “40. Hedging derivatives”.

A relationship qualifies as a hedge, and is represented in the accounts, if and only if all the following conditions are met:

- at the start of the hedge there is a formal designation and documentation of the hedging relationship, the company's objectives in managing the risk and the strategy in carrying out the hedge. This documentation includes the identification of the hedging instrument, the hedged item or transaction, the nature of the hedged risk and how the company assesses the effectiveness of the hedging instrument in offsetting the exposure to changes in the fair value of the hedged element or cash flows attributable to the hedged risk;
- the hedge is expected to be highly effective;
- the planned transaction subject to hedging, for cash flow hedges, is highly probable and presents an exposure to changes in cash flows that could affect the income statement;
- the effectiveness of the hedge can be reliably measured;
- the hedge is valued on the basis of a continuity criterion and is considered highly effective for all the reference financial years for which the hedge was designated.

Hedge effectiveness depends on the extent to which changes in the fair value or expected cash flows of the hedged item are offset by corresponding changes in the hedging instrument. Therefore, effectiveness is measured by comparing these changes, taking into account the intent pursued by the company at the time the hedge is put in place. Hedge effectiveness is achieved when the changes in *fair value* (or in cash flows) of the hedging instrument almost entirely offset (within the limits set by the 80-125% range) the changes in the hedged item attributable to the hedged risk component.

Effectiveness is assessed at year-end or at interim reporting dates by using:

- prospective tests, which justify the application of hedge accounting, as they demonstrate its expected effectiveness;
- retrospective tests, which show how effective the hedging relationship has been in the period under review (i.e. measure how far the actual results have deviated from a perfect hedge).

c) measurement criteria and revenue recognition criteria

Hedging derivatives are measured at fair value. In particular:

Fair value hedging

In the case of specific fair value hedging, the change in the fair value of the hedged element (for changes generated by the underlying risk factor) adjusts the book value of the hedged element and is immediately recognised, regardless of the category to which the hedged asset or liability belongs, along with the change in the fair value of the hedging instrument, in income statement item “90 - Net profit (loss) from hedging”. Any difference, i.e. partial ineffectiveness of the hedging derivatives, reflects their net P&L impact.

If the hedging relationship is suspended, the hedged instrument, if not derecognised from financial statements, is returned to the original valuation criterion of the class to which it belongs. Specifically, for instruments measured at amortised cost, the cumulative revaluations/write-downs recognised as a result of changes in the *fair value* of the hedged risk are recognised in the income statement among interest income and expense over the residual life of the hedged item, based on the revision of the effective interest rate. If, however, upon termination of the hedge the hedged item is also derecognised from the financial statements (e.g. sale or early repayment), the portion of *fair value* not yet amortised is immediately recognised in the income statement under the item that includes the effect of derecognition of the instrument.

With regard to generic fair value hedging transactions (macro-hedges), changes in fair value of the hedged risk of assets and liabilities subject to hedging are recorded in the balance sheet, respectively, under item “60 - Change in value of macro-hedged financial assets” or “50 - Change in value of macro-hedged financial liabilities”. The offsetting item for changes in value in both the hedged element and the hedging instrument, similar to specific fair value hedges, is item “90 - Net profit (loss) from hedging” in the income statement. In the event of termination of a generic fair value hedging relationship, the cumulative revaluations/write-downs recorded in the above-mentioned balance sheet items are recognised in the income statement under interest income or expense for the residual duration of the original hedging relationships, subject to verification that the prerequisites have been met.

Cash flow hedging

The changes in *fair value* of the hedging instrument are recognised in shareholders' equity in a specific reserve (included in item “110 - valuation reserves”) for the effective portion of the hedge, while changes in *fair value* of the hedging instrument not offset by changes in the cash flows of the hedged transaction are recognised in the income statement under item “90 - net profit (loss) from hedging”. If the cash flow hedge is no longer considered effective, or the hedging relationship is terminated, the total amount of profits or losses on the hedging instrument, already recognised under “Valuation reserves”, is recognised in the income statement only when the hedging transaction will take place or when it is no longer considered possible for the transaction to occur; in the latter circumstance, the profits or losses are transferred from the shareholders' equity item to the income statement item “90. Net profit (loss) from hedging”.

Hedges of foreign currency investments

Hedges of foreign currency investments are accounted for similarly to cash flow hedges.

d) derecognition criteria

If the tests do not confirm hedge effectiveness, both retrospectively and prospectively, hedge accounting is discontinued as described above. In this circumstance, the hedging derivative contract is reclassified under “Financial assets measured at fair value through profit or loss” and in particular under financial assets held for trading.

In addition, the hedging relationship ceases when:

- the derivative expires, is extinguished or exercised;
- the hedged item is sold, expires, or is repaid;
- the hedge no longer fulfils the aforementioned hedge accounting requirements;
- the company revokes the designation of the hedging relationship.

- As an exception to the provisions of IAS 39, discontinuing is not carried out following the updating of the documentation on the hedging relationship (due to the change in the hedged risk, the hedged underlying, the hedging derivative or the method for verifying the resilience of the hedge) in the event of changes necessary as a direct consequence of the Reform of the reference indices for the determination of interest rates (IBOR Reform) and carried out on an equivalent economic basis.

5 Equity investments

a) classification criteria

This item includes equity interests held in subsidiaries, associates or joint ventures, which are recognised in accordance with the cost method.

Equity investments and equity securities are considered subject to control (subsidiaries) if the Bank directly or indirectly holds the absolute majority of voting rights and such rights are substantive, or if the Bank holds the relative majority of voting rights and the other voting rights are widely dispersed among shareholders. Control may also exist in situations in which the Bank does not hold the majority of voting rights, but holds sufficient rights to have the practical ability to unilaterally direct relevant activities of the investee or in the presence of:

- substantive potential voting rights through underlying call options or convertible instruments;
- rights deriving from other contractual arrangements which, combined with voting rights, give the Bank the de facto ability to direct production processes, other operating or financial activities able to significantly influence the investee's returns;
- power to influence, through rules of the articles of association or other contractual arrangements, governance and decision-making procedures regarding relevant activities;
- majority of voting rights through contractual arrangements formalised with other holders of voting rights (i.e., shareholders' agreements).

As regards structured entities - investment funds the Bank takes the following positions with respect to funds:

- subscriber of units, held for long-term investment purposes or for trading;
- counterparty to loans/derivatives.

A controlling relationship is established if the Bank meets simultaneously the following conditions:

- has the power to direct the relevant activities, if:
 - it acts as fund manager and there are no substantial rights of dismissal by other investors; or
 - has a substantive right to dismiss the fund manager (outside the Bank) without just cause or for reasons attributable to the performance of the funds; or
 - the governance of the fund is such as to allow the Bank to substantially govern the relevant activities;
- has a significant exposure to the variable returns of the fund, through the direct holding of units deemed significant, in addition to any other form of exposure related to the economic results of the fund;
- it is in a position to affect these returns through the exercise of power, if:
 - it is the fund manager;
 - it has a substantial right to dismiss the fund manager (external to the Bank);
 - it has a right to participate in the fund's committees such as to give to the Bank the legal and/or practical authority to control the activities carried out by the manager;
 - there are contractual relationships that bind the fund to the Bank for the subscription or placement of units.

Lastly, with reference to structured entities - special purpose securitisation vehicles, the Bank checks the fulfilment of requirements of control over special purpose securitisation vehicles, considering both the possibility of exercising power over the relevant assets for its own benefit and the ultimate purpose of the transaction, as well as the involvement of the investor/sponsor in the structuring of the transaction.

For autopilot entities, the subscription of the substantial entirety of the notes by the Bank is considered an indicator of the presence, particularly during the structuring phase, of the power to manage relevant activities to influence the economic returns of the transaction.

Companies subject to significant influence are considered associates. It is assumed that the company exercises significant influence in all cases in which it holds at least 20% of the voting rights (including "potential" voting rights) and, regardless of the interest held, if the company has the power to participate in management and financial decisions

of the investee, by virtue of specific legal connections, such as shareholders' agreements, with the purpose for the agreement's participants to ensure representation in management bodies and to ensure management unity, without having control.

Entities are considered to be jointly controlled companies when control is shared between the Bank and one or more other parties based on contracts or agreements of another nature, according to which financial and management decisions with strategic purposes are made through the unanimous consent of all parties that share control. This occurs when the voting rights and control of the economic activity of the investee are shared equally by Banca MPS and another entity. In addition, a joint investment is defined as an equity investment in which, even in the absence of an equal share of voting rights, the unanimous consent of all parties sharing control is required for the making of resolutions concerning the relevant activities.

b) recognition criteria

Initial recognition of financial assets classified in this category occurs on the settlement date, for a total value equal to the cost, including any goodwill paid at the time of acquisition, which is therefore not subject to independent and separate recognition.

c) measurement criteria and revenue recognition criteria

Equity investments in subsidiaries, associates and joint ventures are recognised at cost. At each date of the financial statements or interim reports, the equity investments are tested for indicators of impairment. If evidence of impairment indicates that there may have been a loss in value of an equity investment, then the recoverable value of the equity investment (which is the higher of the fair value, less costs to sell, and the value in use) should be estimated. The value in use is the present value of the future cash flows expected to be derived from the equity investment, including those arising from its final disposal.

Should the recoverable value be less than its book value, including any goodwill, the difference is recognised immediately in the income statement under item "220 - Gains (losses) on investments". Should the reasons for impairment no longer apply as a result of an event occurring after the impairment was recognised, reversals of impairment losses are charged to the same item in the income statement, up to the amount of the previously recognised impairment.

For more detailed information, please refer to the paragraph "Use of estimates and assumptions when preparing financial statements - Methods for calculating impairment on equity investments".

The dividends from these equity investments are recognised in the Parent Company's income statement, regardless of whether it was generated by the investee before or after the acquisition date. The result of the disposal of equity investments is recognised in the income statement under item "220 - Gains (losses) on investments".

d) derecognition criteria

Equity investments are derecognised upon maturity of the contractual rights on the cash flows resulting from the assets or when all related risks/benefits associated to them are transferred. If there is a situation that results in loss of significant influence or of joint control, any residual equity investment is reclassified in the IFRS 9 financial asset portfolios.

6 Property, plant and equipment

a) classification criteria

Property, plant and equipment include land, properties for business use, investment properties, systems, furnishings and fixtures, equipment of any type that is expected to be used for more than one period, as well as artworks.

Operating properties are properties owned by the Bank and used in the production or supply of goods and services or for administrative purposes (classified as "Property, plant and equipment used in the business" and recognised in accordance with IAS 16), whereas investment properties are those owned by the Bank for the purpose of collecting rents and/or held for appreciation of capital invested (classified as "Property, plant and equipment held for investment" and follow the rules set forth in IAS 40).

This item also includes tangible assets classified according to IAS 2 "Inventories", which mainly relate to assets arising from the enforcement of guarantees or from the purchase at auction that the company intends to sell in the near future, without carrying out significant restructuring work, and which do not qualify for classification in the previous categories.

Property, plant and equipment includes those assets associated with finance lease contracts that were returned to the company, as lessor, following contract termination and the simultaneous closure of the original credit position.

This category also includes i) rights of use acquired through leasing, both financial and operating, relating to property, plant and equipment that the Bank uses as lessee in the business or for investment purposes, ii) assets granted under operating leases (for lessors), as well as iii) improvements and incremental expenses incurred on owned assets and third-party assets, the latter provided they are identifiable and separable (e.g. ATMs).

b) recognition criteria

Property, plant and equipment are originally recognised at cost, which includes the purchase price and any additional charges directly attributable to the purchase and installation of the assets.

Non-recurring expenditures for maintenance which involve an increase in future economic benefits are booked as an increase in the value of the assets, while expenses for ordinary maintenance are booked to the income statement.

c) measurement criteria and revenue recognition criteria

Subsequent to initial recognition, property, plant and equipment for business use are valued at cost, as defined above, net of cumulative depreciation and any cumulative impairment, with the exception of:

- real estate used in the business for which the Bank has adopted the option allowed by IAS 16, to measure them on the basis of the revaluation method;
- properties held for investment purposes, for which the Bank has adopted the option, permitted by IAS 40, of measuring them on the basis of the fair value method;
- property, plant and equipment falling under IAS 2 are valued at the lower of the cost and the net realisable value, represented by the estimated sale price less the presumed costs for completion and the other costs necessary to make the sale.

The revaluation method requires that assets be carried at a restated amount, equal to the fair value at the date of revaluation, less any accumulated depreciation and value adjustments. More specifically:

- if the carrying amount increases following a revaluation, the increase is recognised with an offsetting entry in liability item "110 - valuation reserves", except for write-backs of value in respect of a previous impairment previously recognised in the income statement. In this case, the increase is recognised in the income statement under item "230 - Net gains (losses) on property, plant and equipment and intangible assets measured at *fair value*" within the limits of the above-mentioned impairment;
- If the carrying amount of an asset has decreased following a remeasurement, the decrease is recognised in the income statement under item "230 - Net result of measurement at fair value of property, plant and equipment and intangible assets" unless the asset has previously been revalued, in which case the decrease in value is recognised as a reduction of the liability item "110 - Valuation reserves" up to the amount of the same.

The Bank revalues the properties held for business use every six months, using appraisals prepared by independent experts.

Property, plant and equipment held for business use, including operating properties measured at the "restated value", are systematically depreciated over their useful life. The depreciable amount, equal to cost (or the net revalued value, if the revaluation method is adopted for valuation purposes) less the residual value (or the amount normally expected to be obtained from disposal, after deducting expected costs to sell, if the asset is already in the conditions, including in relation to age, expected at the end of its useful life), is broken down on a straight-line basis throughout the useful life of the asset, adopting the straight-line approach as the depreciation method. The useful life, subject to periodic review to identify any estimates significantly different from the previous ones, is defined as:

- the period of time in which it is expected that an asset will be usable by the company or,
- the quantity of products or similar units that the company expects to obtain from the use of the asset.

Depreciation begins when the asset is available for use and ends at the most recent date between that on which the asset is classified as held for sale and that of derecognition. For property, plant and equipment valued at cost, depreciation does not end when the asset becomes unused or is withdrawn from active use, unless the asset has already been fully depreciated. If a property for business use becomes unusable or is withdrawn from active use, it is necessary to promptly evaluate the change in the intended use and the resulting reclassification to property held for investment purposes or assets held for sale. In these cases, depreciation is discontinued.

The following are not amortised:

- land, either on its own or included in the property value, is not subject to depreciation as it has an indefinite useful life;

- works of art as their value is generally bound to increase over time;
- investment properties, as required by IAS 40, which are measured at fair value with a balancing entry in the Income Statement and therefore must not be depreciated;
- tangible assets recognised in accordance with IAS 2.

For leasehold improvements, represented by identifiable and separable tangible assets, depreciation is determined according to the useful life of these assets.

Periodic depreciation is posted to the income statement under item "180 - Net Value Adjustments/recoveries on Property, Plant and Equipment".

The presence of any signs of impairment, or indications that assets might have lost value, shall be tested at the end of each reporting period. Should there be indications of impairment, for properties that are owned, with the exception of investment property, and those that are leased, a comparison is made between the book value of the asset and the asset's recoverable value, i.e. the higher of the fair value, less any costs to sell, and the relevant value in use, which is the present value of the future cash flows generated by the asset.

Where the reasons for impairment cease to exist, a reversal is made, which shall not exceed the value that would have been determined (net of depreciation) had no impairment loss been recognised for the asset in prior periods.

The fair value method used for property investments provides that the positive or negative change in fair value is recognised in the income statement under item "230 - Net result of property, plant and equipment and intangible assets measured at fair value". For the measurement of the fair value of the property assets in question, a fair value estimation process is carried out at least half-yearly.

For the methods used to measure the fair value and the periodicity of recalculation of real estate assets, please refer to the criteria illustrated in "Part A.4 - Information on fair value" below.

Property, plant and equipment falling under IAS 2 are valued in the same way as inventories and, therefore, at the lower of the cost at initial recognition and the net realisable value, represented by the estimated sale price less the presumed costs for completion and the other costs necessary to make the sale. Any losses in value are posted to the income statement under item "180 - Net Value Adjustments/recoveries on Property, Plant and Equipment".

Property, plant and equipment represented by the right of use of assets under lease agreements

Pursuant to IFRS 16, a "lease" is a contract, or part of a contract, which, in exchange for a consideration, transfers the right of use (RoU) of an asset (the underlying asset) for a period of time.

The right-of-use asset acquired through the lease is recognised in the financial statements at the start date of the contract, i.e. at the date on which the asset is made available to the lessee and is initially valued at cost. This cost includes:

- the initial measurement of the lease liability, net of VAT;
- any lease payments made by the start date, net of any lease incentives;
- any initial direct costs incurred, understood as incremental costs incurred to obtain the lease that would not have otherwise been incurred (e.g. brokerage commissions and success fees);
- estimated costs of refurbishment and dismantling, in cases where the contract provides for them.

In connection with the right of use asset, the lessee recognises a liability for the lease under item "10 - Financial liabilities measured at amortised cost" corresponding to the present value of payments due for the lease. The discount rate used is the implicit interest rate, if it can be determined; otherwise, the lessee's marginal borrowing rate is used. The Bank uses as the discount rate, where there is no implicit interest rate in the contract, the maturity curve aligned to the individual lease contracts consisting of the Euribor 6M base rate and the blended funding spread, the latter equal to the weighted average of the funding curves for unsecured senior bonds, protected deposits and preference deposits. The adoption of this curve is in line with the characteristics of leasing agreements, which typically provide for fixed fees throughout the duration of the contract, and of the underlying assets. The discount rate so defined takes into account the creditworthiness of the tenant, the duration of the lease, the asset underlying the right of use and the economic environment, identified in the Italian market, where the transaction takes place and therefore it is in line with the requirements of the standard.

The lessee may opt to recognise the payments due for the lease directly as a charge in the income statement, on a straight-line basis over the life of the lease agreement or according to another systematic method that represents the manner in which the economic benefits are used in the case of:

- short-term leases (equal to or less than 12 months) that do not include a purchase option of the asset leased by the lessee;
- leases in which the underlying asset is of modest value¹⁴³.

The Bank has chosen to recognise the cost in the income statement on a straight-line basis over the life of the lease agreement.

The lease term is determined taking into account:

- periods covered by an option to extend the lease, if the exercise of the same is reasonably certain;
- periods covered by a lease termination option, if the exercise of said option is reasonably certain.

During the term of the lease, the lessee must:

- measure the right of use at cost, net of accumulated amortisation¹⁴⁴ and cumulative value adjustments determined and recognised on the basis of the provisions of IAS 36 "Impairment of assets", adjusted to take into account any restatements of the lease liabilities;
- increase the liability deriving from the lease transaction following the accrual of interest expense calculated at the implicit interest rate of the lease, or, alternatively, at the marginal borrowing rate and reduce it for payments of principal and interest.

In the event of changes in the payments due for the lease, the liability must be restated; the impact of the recalculation of the liability is recognised as a contra-entry to the asset consisting of the right of use.

d) derecognition criteria

Property, plant and equipment are derecognised from the balance sheet upon their disposal or when the assets are permanently withdrawn from use and no future economic benefits are expected as a result of their disposal.

Any capital gains or capital losses deriving from the disposal or sale of property, plant and equipment are calculated as the difference between the net sale price and the book value of the asset and are recognised in the income statement under item "250 - Gains (losses) on disposals of investments".

In the case of the sale of a property for business use, the corresponding valuation reserve accrued is transferred to other components of Shareholders' equity, specifically liability item "140 – Reserves", not reclassified to profit or loss.

The right of use assets, accounted for according to IFRS 16, are derecognised at the end of the lease term.

7 Intangible assets

a) classification criteria

Intangible assets are non-monetary assets, identifiable and without physical substance, originating from legal or contractual rights, held for use over a multi-year or indefinite period, from which it is probable that future economic benefits will flow and whose cost can be reliably measured.

Intangible assets include:

- technology-related intangible assets including software licenses, internal capitalised costs, projects and licenses under development; in particular, internally incurred costs for software project development are intangibles recognised as assets if, and only if: a) the cost for development can be measured reliably, b) the entity intends and is financially and technically able to complete the intangible asset and either use it or sell it, c) the entity is able to demonstrate that the asset will generate future economic rewards. Capitalised costs for software development only include the expenses that are directly attributable to the development process.
- Customer relationship intangible assets, represented by the value of assets under management/custody and core deposits in the event of business combinations;

¹⁴³ The significance threshold identified is EUR 5,000.

¹⁴⁴ In determining the amortisation period, account must be taken of whether or not the transfer of ownership of the underlying asset is envisaged at the end of the lease term or whether the cost of the asset consisting of the right of use reflects the fact that or not that the lessee will exercise the purchase option. In the first case, the amortisation period coincides with the useful life of the underlying asset, determined at the start date. In the second case, the amortisation period coincides with the useful life of the asset consisting of the right of use or, if shorter, the duration of the lease.

- goodwill, equal to the positive difference between the consideration paid for a business combination and the fair value of the assets and liabilities pertaining to an acquired company, as best specified in paragraph “16 – Other information, Business combinations”.

b) recognition criteria

They are recognised at cost, adjusted by any additional charges only if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and if the cost of the asset can be measured reliably. The cost of intangible assets is otherwise posted to the income statement in the financial period it was incurred.

c) measurement criteria and revenue recognition criteria

The cost of intangible assets with a finite useful life is amortised on a straight-line basis over their useful life. In particular, for intangible assets originating from software developed internally and acquired from third parties, amortisation begins when the applications are completed and become operational. Instead, intangible assets with indefinite useful life are not amortised but the book value is periodically assessed for impairment.

At each annual and interim reporting date, the recoverable amount of the assets is estimated where there is evidence of impairment. The amount of the loss recognised in the income statement is equal to the difference between the book value and the recoverable amount of the assets.

The goodwill recognised is not subject to amortisation, but its book value is tested annually (or more frequently) when there are signs of impairment. To this end, the cash flow generating units to which goodwill is attributable are identified. These units represent the lowest level at which goodwill is monitored for internal management purposes and should not be larger than an operating segment as defined by IFRS 8.

The amount of the impairment loss is determined by the difference between the book value of goodwill and its recoverable amount, if lower. Said recoverable amount is the higher of the cash generating unit's fair value, less costs to sell, and its value in use. Value in use is the present value of future cash flows expected to arise from the years of operation of the cash generating unit and its disposal at the end of its useful life. The resulting value adjustments are posted to the income statement under item “190 - Net Value Adjustments/recoveries on Intangible Assets”. The same item includes the periodic amortisation of intangible assets with a finite useful life. An impairment loss recognised for goodwill shall not be reversed in a subsequent period.

d) derecognition criteria

Intangible assets are derecognised from the balance sheet upon disposal and when no future economic benefits are expected.

8 Non-current assets held for sale and disposal groups

a) classification criteria

Non-current assets/liabilities and groups of assets/liabilities whose book value will presumably be recovered through sale rather than through continuous use are classified under assets in item “110 - Non-current assets held for sale and disposal groups” and under liabilities in item “70 - Liabilities associated with assets held for sale”.

To be classified in these items, the assets or liabilities (or disposal groups) must be immediately available for sale and there must be active and tangible programmes such as to suggest that their disposal is highly probable within one year of the date of classification in this category.

b) measurement criteria and revenue recognition criteria

Following initial recognition, non-current assets held for sale and disposal groups, with the relative liabilities, are valued at the lower of the book value and the fair value net of selling costs, with the exception of certain types of assets, such as, for example, all financial instruments falling under the scope of IFRS 9 - for which IFRS 5 specifically envisages that the measurement criterion of the reference accounting standard must be applied.

Amortisation/depreciation is discontinued at the date the non-current asset is classified as a non-current asset held for sale.

Should the disposal groups be attributable to discontinued operations (identifiable with the operations of a significant independent business unit or geographical area, also as part of a single coordinate disposal project, rather than an investee company acquired exclusively for resale), the relative revenues and charges, net of tax, are recognised in the income statement under item “290 - Profit (Loss) after tax from discontinued operations” of the income statement. Profit

and loss associated with individual assets under disposal are recognised in the most appropriate income statement item.

c) derecognition criteria

Non-current assets and group of assets/liabilities held for sale and disposal groups are derecognised from the balance sheet upon disposal.

9 Current and deferred tax

a) recognition criteria

The effects relating to current and deferred Taxes calculated in compliance with national tax legislation are recognised on an accrual basis, consistently with the methods of recognition in the financial statements of the costs and revenues that generated them, by applying the applicable tax rates.

Income taxes are posted to the income statement, excluding those relating to items directly credited or charged to equity.

Income tax provisions are determined on the basis of a prudential forecast of current tax expense, deferred tax assets and liabilities.

Current tax includes the net balance of current tax liabilities for the financial year and current tax assets with the Financial Administration, comprising tax advances, tax credit arising from prior tax returns and other withholding tax credits. In addition, current tax includes tax credits for which reimbursement has been requested from the relevant tax authorities. Tax credits transferred as a guarantee of own debts shall also be recorded within this scope.

Deferred taxes assets and deferred taxes liabilities are determined on the basis of temporary differences – with no time limits – between the value assigned to an asset or a liability according to statutory principles and the corresponding values for tax purposes, applying the so-called *balance sheet liability method*; deferred tax assets and liabilities are not recognised in respect of temporary differences for which it is considered unlikely that the conditions for their taxation will arise in the future, in relation to the long-term nature of the investments to which they relate. It should be noted that the Bank has not recognised and does not provide information on deferred tax assets and liabilities relating to Pillar 2 income taxes published by the Organization for Economic Co-operation and Development (OECD), as stated in paragraph 4A of IAS 12.

Deferred tax assets determined on the basis of deductible temporary differences are recognised in financial statements or interim disclosures for the extent to which they are likely to be recovered on the basis of the capacity of the company involved or all of the participating companies – as a result of exercising the option concerning “Tax consolidation” – to generate a positive taxable profit on an ongoing basis, in light of a probability test.

The probability of the recovery of deferred taxes relative to goodwill, other intangible assets and write-downs on loans (known as “convertible DTAs”) is to be automatically considered probable because of existing regulations that provide for conversion into tax credits, if a statutory and/or tax loss is incurred.

In particular, art. 2 - paragraphs 55 et seq. - of Italian Law Decree no. 225 of 29 December 2010 (and subsequent amendments) provides that:

- if the financial statements filed by the company show a statutory loss for the year, deferred tax assets (IRES and IRAP) relating to goodwill, other intangible assets, and loan write-downs will be converted into tax credits for a portion equivalent to the ratio between the statutory loss and the book value of shareholders’ equity prior to said loss. The conversion into tax credits becomes effective from the date when the ‘loss-incurring’ separate financial statements are approved by the Shareholders’ Meeting;
- if there is a tax loss for the year (that is, for IRAP purposes, a negative production value), the deferred tax asset relating to the deductions for goodwill, other intangible assets, and loan write-downs, which contributed to the formation of the tax loss (i.e., the negative production value) is transformed into a tax credit. Conversion will be effective as of the date of submission of the tax return for the financial year in which the loss is incurred.

As a result of the provisions contained in Italian Law Decree no. 83 of 27 June 2015, the convertible DTAs ceased to increase starting from 2016. In particular:

1. for deferred tax assets relating to goodwill, other intangible assets newly recognised in financial statements from 2016 onwards are excluded from the regulations pursuant to art. 2 - paragraphs 55 et seq. - of Italian Law Decree 225/2010;
2. for deferred tax assets relating to loan write-downs, from 2016 onwards, the accounting assumption for recognition in financial statements has ceased and these write-downs are entirely deductible in the accounting period. Note that the 2019 financial manoeuvre (Law no. 145 of 30 December 2018) repealed the full deductibility of loan write-downs upon first-time application of IFRS 9, exclusively following the adoption of the model for recognising the provision to cover expected losses (ECL), providing for the deductibility (IRES and IRAP) of these write-downs on a straight-line basis over 10 years. It was, however, explicitly stated that the relative DTAs recorded in financial statements as a result, although referring to write-downs on loans to customers, cannot be converted into tax credits pursuant to Italian Law Decree 225/2010.

Furthermore, note that the Bank exercised the irrevocable option provided in Italian Law Decree no. 59 of 3 May 2016 (and subsequent amendments) to maintain the right to convert DTAs relative to goodwill, other intangible assets, and loan write-downs and losses into tax credits; thus, it is necessary to pay an annual fee for each financial year from 2016 onwards, if the conditions apply, until 2030.

Deferred tax assets on unused tax losses are recognised based on the same criteria as those used to recognise deferred tax assets on deductible temporary differences: therefore, they are shown in the balance sheet to the extent to which they are likely to be recovered on the basis of the capacity of the company to generate a positive taxable profit in the future. Since the existence of unused tax losses may be symptomatic of difficulties to generate positive taxable profit in the future, IAS 12 establishes that if losses have been posted in recent periods, suitable evidence must be provided to support the existence of such profit in the future. Furthermore, current Italian tax law allows for IRES losses to be carried forward indefinitely (art. 84, paragraph 1, TUIR); as a result, verifying the existence of future taxable profit against which to use such losses is not subject to any time limits.

As mentioned above, the Bank verifies the probability that there will be future taxable income (probability test) using the risk-adjusted approach, which provides for the application of a discount factor to future income. This factor, applied with the compound interest criterion, discounts future income at an increasing rate to reflect its uncertainty. For more details on the assessments made by the Bank to verify the possibility of recognising deferred tax assets, please refer to the subsequent paragraph "Use of estimates and assumptions when preparing financial statements - Methods for recognising deferred tax assets (probability test)".

Deferred tax assets and liabilities are calculated using the tax rates expected at the date on which the temporary differences are reversed, on the basis of the provisions in force at the reporting date. Any changes in tax rates or tax standards having a significant effect on deferred tax assets and liabilities that are issued or announced after the reporting date and before the publication authorisation date are treated as events after the balance sheet date that do not entail an adjustment pursuant to IAS 10, with the resulting disclosure in the notes.

Deferred tax assets and liabilities are posted to the balance sheet by offsetting each tax against the defined asset or liability to which it relates.

b) classification and measurement criteria

Deferred tax assets and liabilities are systematically measured to take account of any changes in regulations or tax rates and of any different subjective situations of Group companies.

With reference to the tax consolidation between the Bank and the subsidiaries that have joined it, contracts have been stipulated to regulate offsetting flows relating to the transfers of tax profits and losses. Such flows are determined by administering the applicable IRES tax rate to the taxable income of participating companies. For companies that transfer tax losses, the offsetting flow, calculated as above, is recognised by the consolidating company to the consolidated company when and to the extent that the consolidated company itself transfers positive taxable income to the tax consolidation in tax periods subsequent to the one in which the loss was incurred. Offsetting flows so determined are posted as receivables and payables with companies participating in fiscal consolidation, classified under other assets and other liabilities, offsetting item "270 - Tax expense (recovery) on income from continuing operations".

c) revenue recognition criteria

Where deferred tax assets and liabilities refer to components which affected the income statement, they are offset by income tax. When deferred tax assets and liabilities refer to transactions which directly affected equity without impacting the income statement (e.g. measurement of financial instruments at fair value through other comprehensive income or

cash flow hedging derivatives), they are posted as an offsetting entry to shareholders' equity, involving the special reserves if required.

10 Provisions for risks and charges

Provisions for risks and charges: commitments and guarantees given

The sub-item in question includes provisions for credit risk on commitments to disburse funds and guarantees given that fall under the scope of application of the impairment rules pursuant to IFRS 9, consistent with the provisions for "Financial assets measured at amortised cost" and "Financial assets measured at fair value through other comprehensive income". For more detailed information on the impairment model, please refer to the subsequent paragraph "Use of estimates and assumptions when preparing financial statements - Methods for calculating impairment on IFRS 9 financial instruments".

In addition, the sub-item also includes provisions for risks and charges established for other types of commitments and guarantees given which, by virtue of their distinct characteristics, do not fall under the scope of application of the impairment rules pursuant to IFRS 9.

Provisions for risks and charges: post-employment benefits

The sub-item "Provision for risks and charges: b) post-employment benefits" includes appropriations, recognised based on IAS 19 "Employee Benefits", for the purpose of closing the technical deficit of defined benefit supplementary pension funds. Pension plans are either defined benefit or defined contribution schemes. The charges borne by the employer for defined contribution schemes are pre-determined; charges for defined benefit plans are estimated and shall take account of any shortfall in contributions or poor investment performance of defined benefit plan assets. For defined benefit plans, the actuarial values are determined by an external actuary in accordance with the Projected Unit Credit method. Actuarial gains and losses – defined as the difference between the book value of the liability and the present value of commitments at the end of the financial year – were the result of changes made to actuarial assumptions and adjustments based on past experience, and are recognised for the full amount in the statement of comprehensive income, under the item "Valuation reserves". For further details, please refer to the following paragraph "15 - Other information - Severance pay and other employee benefits".

Provisions for risks and charges: other provisions

The sub-item "Provisions for risks and charges: c) other provisions" includes allocations made for estimated expenditures for legal or implicit obligations deriving from past events. Such disbursements may be i) contractual in nature - provisions for staff incentive schemes, staff exit incentives and compensation envisaged by contractual clauses upon the occurrence of certain events - or ii) compensatory and/or restitutionary in nature deriving, inter alia, from statutory obligations for environmental damage caused, from legal proceedings - including revocatory actions - from customer claims relating to securities intermediation activities and from tax disputes.

The sub-item also includes provisions established at the starting date of lease agreements, stipulated as lessee, which require the dismantling/refurbishment of the underlying assets at the end of the contract. These provisions are recognised as a contra-entry of the assets recognised for the value of rights of use of properties (see item "90 - Property, plant and equipment").

Provisions for risks and charges consist of liabilities with uncertain amounts or payment dates and are recognised in the financial statements if:

- there is a current (legal or implicit) obligation resulting from a past event;
- an outflow of resources producing economic benefits is likely to be necessary in order to settle the obligation; and
- a reliable estimate can be made of the likely future disbursement.

The amount recognised as a provision represents the best estimate of the financial disbursement necessary to fulfil the obligation existing at the reporting date and reflects the risks and uncertainties inherent in the events and situations reviewed. Whenever the time element is meaningful, the provisions are discounted using the current market rates. With the exception of provisions associated with lease agreements, the allocation and the discounting effect are recognised in the income statement under item "170 - Net provisions for risks and charges", as is the increase in the provision due to the passage of time. Provisions are reviewed at each reporting date and adjusted to reflect the best current estimate. When an outflow of resources, intended to produce economic benefits in fulfilment of an obligation, becomes unlikely or when the obligation has lapsed, the provision is reversed.

In addition, each provision is used solely for the expenditures for which it was originally established.

No provision is shown for contingent and unlikely liabilities, but information is provided in the notes to the financial statements, except in cases where the probability of an outflow of resources to settle the amount is remote or the amount is not significant.

In particular, it should be noted that the provisions relating to:

- civil and criminal disputes arising from financial information disclosed in the period 2008-2015 are determined as the weighted average of two estimates prepared by external experts:
 - 1) the “differential damage” criterion, which identifies the damage as the lowest price that the investor would have had to pay if he had access to complete and correct information;
 - 2) the “full compensation criterion”, which is based on the argument that false or incomplete information may have a causal impact on the consumer’s choice of investments such that, in the presence of correct information, they would not have *tout court* made the investment in question. On the basis of this argument, the refundable damage is deemed to be the entire amount invested, after deduction of (a) the residual value of the security (or the amount obtained from the sale of the security), as well as (b) an additional amount that the investor could have obtained from the sale of the securities as soon as parity of information had been re-established;
- out-of-court claims relating to the period 2008-2015, in order to take into account the probability of their transformation into real disputes, the funds were determined by applying an experiential factor to requests made by counterparties;
- Representations and guarantees issued in connection with the transfer and demerger of non-performing loans are determined on the basis of the analysis of the validity of the claims received, or, in the absence of suitable elements to make a sufficiently reliable estimate, using a statistical method. In the second case, the estimate is based on the results of a representative sample of exposures transferred/demerged with respect to which the competent functions analytically evaluate the compliance or compliance risk for each of the representations and guarantees released; in the context of this estimate the sample to be analysed and whose results are extrapolated to the entire population is identified.

11 Financial liabilities measured at amortised cost

a) classification criteria

Item “10 - Financial liabilities measured at amortised cost” includes the sub-items “a) due to banks”, “b) due to customers”, and “c) debt securities issued” and comprises the various types of funding (both interbank and from customers) and funds raised through certificates of deposit and outstanding bonds, net of any repurchase. Debt securities issued include all securities that are not subject to “natural” hedging through derivatives and that are classified as liabilities measured at fair value.

This item also incorporates payables booked by the lessee in relation to any stipulated finance and operating lease transactions, as well as repurchase agreements for funding and securities lent against cash guarantees that are fully available to the lender. Finally, operating payables related to the provision of financial services, as defined in the Consolidated Banking Law and Consolidated Law on Finance, are included in this item.

b) recognition criteria

These financial liabilities are initially recognised upon receipt of the amounts collected or at the time of issuance of debt securities based on their fair value, which is generally equal to the amount received or the issue price, increased by any additional costs/income directly attributable to the individual funding or issuing transaction and not reimbursed by the creditors. Internal administrative expenses are excluded.

Repurchase agreement transactions with the obligation to repurchase are posted as funding transactions for the spot amounts collected.

Should the requirements provided for by IFRS 9 for the separate recognition of embedded derivatives be met in the case of structured instruments, they are separated from the host contract and reported at fair value as a trading asset or liability. Instead, the host contract is recognised at amortised cost.

Lease liabilities recognised in relation to the lessor are measured at the present value of future lease payments for the duration of the lease. For more information on determining the duration, please refer to paragraph 6 “Property, plant and equipment represented by the right of use of assets under lease contracts”.

c) measurement criteria and revenue recognition criteria

Following initial recognition, financial liabilities issued, net of any reimbursements and/or repurchases, are measured at amortised cost using the effective interest rate method. Short-term liabilities for which time effect is immaterial are an exception, and are recognised at the amount collected. Interest is charged to the income statement under item “20 - Interest expense and similar charges”.

Following the commencement date, the book value of lease liabilities:

- increases for accrued interest expense, charged to the income statement under item “20 - Interest expense and similar charges”;
- decreases for lease instalment payments;
- is recalculated to take into account any new valuations (e.g., extension or reduction of the contract term) or changes in the lease (e.g., renegotiation of the lease payment) that occurred after the commencement date; the impact of the recalculation is recorded as a contra-entry of the asset for the right of use.

Moreover, funding instruments that have an effective hedging relationship are assessed based on the rules for hedging transactions.

d) derecognition criteria

Financial liabilities are derecognised upon maturity or extinction. Derecognition also occurs if previously issued securities have been repurchased. The difference between the book value of the liabilities and the amount paid to repurchase them is recorded in the income statement in item “100 - Gains (losses) on disposal or repurchase”. A new placement in the market of own securities after their repurchase is considered a new issue and posted at the new price of placement, with no impact on the income statement.

12 Financial liabilities held for trading**a) classification criteria**

This item includes:

- financial liabilities issued with the intention to repurchase them in the short term;
- liabilities that are part of a jointly managed portfolio of financial instruments for which there is a proven strategy to obtain profits in the short term;
- derivative contracts with a negative fair value and not designated as hedging instruments, including both those embedded in complex financial instruments that have been unbundled from liabilities measured at amortised cost, as well as those related to assets/liabilities measured at fair value through profit or loss.

Moreover, liabilities that arise from technical overdrafts generated by securities trading activities are included.

b) recognition criteria

Financial liabilities held for trading are initially recognised on the settlement date for cash liabilities and on the subscription date for derivative contracts.

Upon initial recognition, they are measured at fair value, which usually corresponds to the amount collected net of any transaction costs or income directly attributable to the instrument itself, which are directly posted to the income statement.

c) measurement criteria

After initial recognition, financial liabilities held for trading are measured at fair value, with the result of the measurement recognised in the income statement. For a description of criteria used to determine the fair value of financial instruments, please see Section “A.4.5 Fair Value Hierarchy” in Part A of these Notes to the financial statements.

d) revenue recognition criteria

Profit and losses from trading and capital gains and losses from valuation are recognised under item “80 - Net profit (loss) from trading” in the income statement, including those relating to derivative instruments related to the fair value option.

e) derecognition criteria

Trading financial liabilities are derecognised when the contractual rights on the related cash flows expire or when the financial liabilities are sold with the substantial transfer of all related risks and benefits arising from ownership.

13. Financial liabilities measured at fair value

a) classification criteria

This category includes financial liabilities for which, upon initial recognition, the option of measurement at fair value through profit or loss was chosen; this option is allowed when:

1. a lack of standardisation in the measurement or recognition that would otherwise result from the valuation of assets or liabilities or the recognition of the related profits and losses on different bases (known as “accounting mismatch”) is eliminated or significantly reduced; or
2. the management and/or measurement of a group of financial instruments at fair value through profit or loss is consistent with an investment or risk management strategy documented as such by senior management; or
3. a host instrument embeds a derivative which significantly modifies the cash flows of the host and should otherwise be unbundled.

The option to designate a liability at fair value is irrevocable, is carried out on an individual financial instrument, and does not require the same application to all instruments having similar characteristics. It is not permitted to use the fair value designation for only one portion of a financial instrument, attributable to a single risk component to which the instrument is subject.

The Bank has exercised this option in relation to case 1, classifying under this item the financial liabilities that are subject to “natural hedging” through derivative instruments. Within Section 15 “Other information”, a chapter is included providing further details on the methods of managing hedges through the adoption of the Fair Value Option.

b) recognition criteria

Upon initial recognition, these financial liabilities are measured at fair value, which usually corresponds to the amount collected net of any transaction costs or income directly attributable to the instrument itself, which are directly posted to the income statement.

c) measurement criteria and revenue recognition criteria

Following initial recognition, financial liabilities are measured at fair value. Gains and losses arising from any changes in the fair value of these liabilities are recognised:

- under item “110 - Valuation reserves”, the portion relating to the change in fair value attributable to changes in the issuer’s creditworthiness is recognised, unless such treatment creates or amplifies an accounting mismatch in the profit (loss) for the year, in which case the entire change in *fair value* of the liability must be recognised in the Income statement. Effects associated with the change in own creditworthiness are recorded in the statement of comprehensive income, net of the related tax effect, along with the other income components that will not be reclassified to profit or loss. The amount charged to the specific equity reserve will never be not reclassified to profit or loss, even if the liability expires or lapses; in this case, it will be necessary to reclassify the cumulative gain (loss) in the specific valuation reserve to another shareholders’ equity item (“140 - Reserves”);
- in the income statement under item “110 - Net profit (loss) from financial assets and liabilities measured at fair value through profit or loss”, for the portion of the fair value change not attributable to changes in own creditworthiness.

For a description of criteria used to determine the fair value of financial instruments, please see Section “A.4.5 Fair Value Hierarchy” in Part A of these Notes to the financial statements.

d) derecognition criteria

Financial liabilities are derecognised when the contractual rights on the related cash flows expire or when the financial liabilities are sold with the substantial transfer of all risks and benefits resulting from the ownership.

For financial liabilities represented by securities issued, derecognition also occurs if previously issued securities have been repurchased. The difference between the book value of liabilities and the amount paid to purchase them is recorded in the income statement under item “110 - Net profit (loss) from financial assets and liabilities measured at fair value through profit or loss”, with the exception of profits/losses associated with the change in own creditworthiness, which continues to be recognised in an equity reserve, as described above. A new placement in the market of own securities after their repurchase is considered a new issue for accounting purposes and posted at the new price of placement, with no impact on the income statement.

14 Foreign currency transactions

a) Definition

Foreign currency means a currency other than the entity's functional currency; more specifically, this is the currency of the prevailing economy where the entity itself operates.

b) recognition criteria

Upon initial recognition, foreign currency transactions are recognised in the currency of account using the foreign exchange rates on the date of the transaction.

c) measurement, derecognition and revenue recognition criteria

Financial statement entries denominated in foreign currencies are valued at the end of each reporting period as follows:

- monetary entries are converted using the exchange rate on the closing date;
- non-monetary entries valued at historical cost are converted using the exchange rate on the date of the transaction;
- non-monetary entries that are measured at fair value in a foreign currency are translated at the closing date rate.

Any exchange-rate differences resulting from the settlement of monetary elements, or from the conversion of monetary elements at rates other than those used for initial conversion or conversion in the previous financial statements, are posted to the income statement for the period in which they arise.

When a profit or a loss on a non-monetary element is recognised in equity, the exchange-rate difference in relation to said element is also posted to equity. However, when a profit or a loss is posted to the income statement, the relative exchange-rate difference is also posted there.

The accounting position of foreign branches with different operating currencies is converted into euros by using the exchange rates at the reporting date. Any exchange rate differences attributable to investments in such foreign branches, and those resulting from the conversion into euros of their accounting position, are recognised in equity reserves and transferred to the income statement only in the financial year when the investment is disposed of or reduced.

15 Other information

Other financial statement items

Cash and cash equivalents

This item includes currencies that are legal tender, including foreign banknotes and coins and all loans "on demand" in the form of current account and deposits with the central bank of the country or countries in which the Bank operates through its own companies or branches, with the exception of the compulsory reserve.

The item is posted at face value. For foreign currencies, the face value is converted into euros at financial year-end exchange rate.

Change in value of macro-hedged financial assets and liabilities

These items include, respectively, the positive or negative balance of changes in *fair value* of financial assets (item "60 Value adjustment of financial assets subject to macro-hedging") and financial liabilities (item "50 change in value of macro-hedged financial liabilities"), subject to macro-hedging against interest rate risk, whose economic counter-entry is represented by item "90 net profit (loss) from hedging", as is the case for specific *fair value* hedges. For more detailed information, please refer to the discussion in paragraph 4 "Hedging transactions".

Other assets

This item shows assets not attributable to the other items on the asset side of the balance sheet. It may include, for example:

- gold, silver, metals and precious stones;
- items in processing;
- accrued income and prepaid expenses not attributable to their own separate item;
- receivables associated with the provision of non-financial goods or services and accrued income other than that which is capitalised on the related financial assets, including those resulting from contracts with customers pursuant to IFRS 15;

- costs incurred for the acquisition and fulfilment of contracts with customers with a multi-year duration, capitalised and amortised to the extent that they are incremental and it is expected to be recovered, as required by paragraphs 91 et seq. of IFRS 15;
- any inventories according to the definition of IAS 2, excluding those classified as inventories of property, plant and equipment;
- tax liabilities other than those recognised under item "100 - Tax assets",
- the tax credits associated with the "Cura Italia" and "Rilancio" Law Decrees,
- improvements and incremental expenses incurred on third-party real estate other than those attributable to item "80 - Property, plant and equipment" and therefore not independently identifiable and separable.

The costs in the latter bullet point are posted to item "120 - Other assets", since the user company exercises control of the assets for the purpose of the tenancy agreement and can obtain future economic benefits from them. Said costs are amortised according to the shorter of the period in which the improvements and incremental expenses can be used and the remaining term of the contract, including the renewal period, where applicable.

Other liabilities

This item shows liabilities not attributable to the other items on the liabilities side of the balance sheet and includes, for example:

- items in processing;
- payment agreements that must be classified as debit entries according to IFRS 2;
- debit entries connected with payment for provision of non-financial goods and services;
- accrued liabilities other than those to be capitalised for the respective financial liabilities, including those deriving from contracts with customers pursuant to IFRS 15;
- sundry tax liabilities other than those recognised under item "60 - Tax liabilities", associated, for example, with substitute tax assets.

Severance pay and other employee benefits.

Employee severance pay is defined as a "benefit subsequent to the employment relationship", in accordance with IAS 19, classified as:

- "defined contribution plan" for the portions of severance pay accrued starting from 1 January 2007 (when the supplementary social security reform under Legislative Decree No. 252 of 5 December 2005 entered into force), both for the case in which the employee opts for supplementary social security, as well as the case in which the employee opts for the allocation to the INPS treasury fund. For these portions, the amount recognised under personnel costs is determined on the basis of the contributions due, without applying any actuarial methodology;
- "defined benefit plan" for the portions of severance pay accrued up to 31 December 2006. These portions are recognised according to their actuarial values, as determined in accordance with the Projected Unit Credit Method, without being pre-rating for service rendered, since the current service cost of severance pay is almost fully accrued and its revaluation for the years to come is not expected to result in significant benefits for employees.

In general, "post-employment plans" - which include severance pay as well as pension funds - are divided into the two categories "defined benefit" or "defined contribution", based on their characteristics.

In particular, for defined contribution plans, the cost is represented by contributions accrued during the financial year, given that the company has only the obligation to pay the contractually established contributions to a fund and, consequently, has no legal or implicit obligation to pay, in addition to the contribution, additional amounts if the fund does not have sufficient assets to pay all the benefits to employees.

For defined benefit plans, the actuarial and investment risk, that is, the risk of a shortfall in contributions or poor investment performance of the assets in which the contributions are invested, is borne by the company. The liability is calculated by an external actuary based on the Projected Unit Credit method. Based on this method, future disbursements must be estimated based on demographic and financial assumptions, to be discounted to consider the time that will pass before the actual payment and to be adjusted for the ratio between the years of service accrued and the theoretical seniority estimate at the time the benefit is paid. For discounting purposes, the rate used is determined with reference to the market yield of primary corporate bonds taking into account the average residual duration of the liability, weighted according to the percentage of the amount paid and advanced, for each maturity, compared to the total to be paid and advanced up to the final settlement of the full bond.

The actuarial value of the liability thus calculated must then be adjusted for the fair value of any assets servicing the plan (net liabilities/assets). Actuarial gains and losses, which arise as a result of adjustments to previous actuarial assumptions formulated following the actual experience observed or due to changes in those same actuarial assumptions, entail a re-measurement of net liabilities and are recognised with a corresponding entry to a shareholders' equity reserve (item "110 - valuation reserves") and, therefore, are presented in the "Statement of Comprehensive Income". The change in the liability resulting from a change or reduction in the plan is recorded in the income statement as a profit or loss. More precisely, the specific case of a change applies if a new plan is introduced or an existing plan is withdrawn or modified. Instead, there is the case of a reduction due to a significant negative variation in the number of employees included in the plan, such as, for example, redundancy plans for redundant workers (access to the Solidarity Fund).

The Projected Unit Credit method, described above, is also used to measure long-term benefits, such as seniority bonuses for employees. Contrary to that which was described for defined benefit plans, actuarial gains and losses associated with the measurement of long-term benefits are immediately recognised in the income statement.

Valuation reserves

This item includes valuation reserves relating to equity securities designated at fair value through other comprehensive income, financial assets (other than equity securities) measured at fair value through other comprehensive income, foreign investment hedging, cash flow hedges, exchange rate differences, "individual assets" and groups of assets under disposal, the portion of valuation reserves of equity-accounted equity investments, actuarial gains (losses) on defined benefits investment plans, gains/losses related to the change in own creditworthiness relating to liabilities under fair value option, property for business use measured on the basis of the restated value method.

Share capital and Treasury shares

This equity item includes the amount of issued shares net of any capital subscribed but not yet paid at the reporting date. The item is shown including any treasury shares held by the Bank. Treasury shares are recognised in financial statements as a negative component of shareholders' equity.

The original cost of repurchased treasury shares and the profits or losses from their subsequent sale are recognised as changes in shareholders' equity. Transaction costs for a share capital transaction, such as an increase in share capital, are recorded as a reduction in shareholders' equity, net of any related tax benefits. Dividends on ordinary shares are recorded as a reduction of shareholders' equity in the financial year in which the Shareholders' Meeting approved their distribution.

Other significant accounting practices

Revenues from contracts with customers (IFRS 15)

Revenues are gross inflows of economic benefits deriving from the ordinary activities of the company. They are recognised at the moment that control of the goods or services passes to the customer, for an amount equal to the consideration which the entity is expected to be entitled to. In particular, revenues deriving from contracts with customers are recorded in financial statements only if the relative contract is identifiable, that is:

- the parties have approved the contract and are committed to its execution;
- the rights and obligations of the parties can be clearly identified in the contract;
- the payment terms for the transferred goods and services can be identified;
- the contract has commercial substance, in the sense that it impacts the entity's cash flows;
- it is considered likely that the consideration will be collected upon transfer of the assets and provision of the services. For this assessment, only the customer's ability and intention to pay the amount due should be considered.

After the contract's consideration has been allocated to individual obligations resulting from the contract, revenue is recognised in the income statement when the customer obtains control of the goods or services promised (or when the performance obligation may be deemed satisfied) and can be:

- at a specific point in time (e.g., when the entity fulfils the obligation to transfer the promised good or service to the customer);

- over a period of time (e.g., as the entity fulfils the obligation to transfer the promised good or service to the customer).

The consideration promised in the customer contract may include fixed amounts, variable amounts, or both. Specifically, the contract's consideration may vary based on reductions, discounts, reimbursements, incentives, performance bonuses, or other similar elements. The consideration may also vary depending on whether a future event occurs (as in the case of a fee linked to performance objectives).

The methods suggested by IFRS 15 for estimating the variable portion of remuneration are:

- the expected value method, i.e., the weighted sum of the amounts in a range of possible considerations (for example, the company has many contracts with similar characteristics);
- the most likely amount method, or the most likely in a range of possible considerations (for example, the company receives a performance bonus or does not receive it).

If there is an element of variable consideration, revenue is recognised in the income statement only if it is possible to reasonably estimate the revenue and if it is highly probable that this consideration will not be subsequently reversed from the income statement, whether in full or for a significant part. In the event of a high prevalence of factors of uncertainty linked to the nature of the consideration, it will only be recognised at the moment this uncertainty is resolved. In any case, the estimated part of the transaction price must be updated at the end of each reporting period. The presence of financial components is also considered in determining the price, if considered relevant.

In the case of commercial agreements that envisage the recognition of variable non-cash consideration to the entity, linked to the achievement of specific targets and that can be used for services rendered by the commercial partner, the Bank recognises these revenues in the income statement in the financial year in which they accrue, at a value that is not more than the fair value of services effectively rendered by the partner.

If the entity receives from the customer a consideration that provides for the reimbursement to the customer, in whole or in part, of the revenue received, a provision for risks and charges is recognised against the expected future repayments. The case may occur, for example, when the customer has a right of withdrawal for the asset or if the contract includes a claw-back clause. This standard also applies to loyalty programmes, against which a refund liability is recognised. The liability for future redemptions is equal to the amount of the consideration received (or receivable) for which it is expected that the entity is not entitled to (i.e., amounts not included in the transaction price). The liability for future redemptions (as well as the corresponding change in the transaction price and, consequently, the liability arising from the contract) must be updated on the closing date of each reporting period to take account of changes in circumstances.

For contracts for the placement of third-party products, which provide for the reimbursement of part of the commissions received in the event of early termination by the customer and in the presence of claw-back clauses linked to the failure to achieve target commission volumes, the Bank quantified this provision for risk and charges based on historical trends for early repayments and reimbursements to customers. The monitoring and forecasting of volumes of the collected and reversed fees enable the provision to be adjusted at each reporting date. The model that is used is based on the most likely amount method.

The model that is used is based on the most likely amount method. In addition, the Group has a credit card loyalty programme in place, according to which reward points are granted to customers based on the volumes transacted; reward points are redeemed through prizes purchased mainly from external suppliers. Reward points granted to customers who subscribe to a product/service of the Bank require the suspension of recognition in the income statement of the portion of revenue attributable to the recognised reward points, as an offsetting entry to other liabilities. For this purpose, the transaction price of the performance obligation associated with the reward points granted is estimated, using a model based on the fair value of the reward points, calculated using several factors including: redemption forecasts for the reward points accrued by customers and the cost related to reward purchases. The portion of the consideration able to be allocated to the award points is accounted for as a refund liability; the release to the profit and loss account occurs only when the obligations associated with the bonus points have been fulfilled, i.e. at the time of actual redemption by the customer.

Lastly, the incremental costs for obtaining the contract that are expected to be recovered and the costs for fulfilling the contract are capitalised when these costs can be directly attributed to the contract, can generate resources that can be used to fulfil future contractual performance obligations, and be considered recoverable. This recognised asset is systematically amortised in accordance with the transfer to the customer of the good or service to which the asset refers and, therefore, in accordance with the accounting of the corresponding revenues.

Revenues and costs relating to financial instruments

With reference to the income and charges relating to financial assets/liabilities, note that:

- a) interest is booked *pro rata temporis* on the basis of contractual interest rate or the effective interest rate in the event of application of the amortised cost. In this case, any marginal costs and income, considered an integral part of the return of the financial instrument, are considered in the effective interest rate and recognised under interest. Interest income (or interest expense) also includes the spreads or margins, positive (or negative), accrued up to the reporting date, in relation to financial derivative contracts:
 - hedging assets and liabilities that generate interest;
 - classified in the balance sheet in the trading book, but operationally linked to financial assets and/or liabilities measured at fair value (fair value option);
 - connected operationally with assets and liabilities classified in the trading book and which entail the settlement of differentials or margins over several maturities;
- b) interest on arrears is posted to the income statement only upon actual collection;
- c) dividends are shown in the income statement upon resolution of their payout, i.e. when their payment is due;
- d) commissions for service income are posted in the period when said services were rendered, on the basis of existing contractual agreements. The commissions considered in the amortised cost for purposes of calculating the effective interest rate are recorded in interest;
- e) the profits and losses resulting from the initial recognition at fair value, as determined by the difference between the transaction price and the fair value of the instrument, are booked to the income statement upon reporting of the transaction if the fair value can be determined with reference to parameters or recent transactions observable on the same market in which the instrument is traded; otherwise, they are distributed over time, taking into account the duration and the nature of the instrument;
- f) gains and losses from the sale of financial instruments are recognised in the income statement when the sale is finalised, with the relative transfer of risks and benefits, based on the difference between the consideration received and the book value of the instruments themselves.

Costs for constant services and decreasing payments

The IFRS accounting standards do not provide specific guidelines on the accounting treatment to be applied for recognising costs related to service contracts that are rendered by the supplier through an indeterminate number of actions, over a given period of time. If there are cases of services rendered by suppliers through a single performance obligation relating to the provision of a specific number of units, such as a certain volume of services, which remain constant throughout the contract term and this single performance obligation is satisfied over time with a decreasing payment amount due by the customer, the Bank analogically applies the accounting treatment envisaged by IFRS 15 accounting standard (see Basis for Conclusions 313-314).

In detail, in cases of the provision of services characterised by a constant volume over time and decreasing payments, an average unit cost is assigned to the services received and the related costs are recognised on straight-line basis. This straight-line method for posting costs entails the need to recognise a prepaid asset which, at each reporting date pursuant to IAS 36, is subject to an assessment to determine if there are impairment indicators which also takes into account the analyses carried out for purposes of onerous contracts. In the event that impairment indicators are identified, the recoverable value of the asset must be calculated and a write-down must be recognised in the financial statements when the recoverable value is lower than the book value.

Share-based payments

These are payments to employees, as consideration for work performed, settled with equity instruments, which consist, for example, in assigning:

- rights to subscribe share capital increases with consideration (stock options);
- rights to receive shares upon achieving certain objectives or at the end of the employment relationship.

Pursuant to IFRS 2, payments based on treasury shares fall into various categories, including:

- as “equity settled” plans, i.e. settled in equity instruments, to be recognised on the basis of the fair value of the work services received.
- as “cash-settled” plans, i.e. settled in cash for an amount indexed to the value of the shares, to be recognised based on the fair value of the liability assumed.

With regard to “equity-settled” plans, given the difficulties of directly estimating the fair value of employment services received as an offsetting entry to the assignment of shares, the value of the services received can be measured indirectly, using as a reference the fair value of equity instruments at the date they are assigned. The *fair value* of payments settled by issuing shares is recognised, based on the accrual criterion of the service provided, in the income statement item “160 - a) Personnel Expenses” as an offsetting entry to an increase in the item “140 - Reserves”.

In the case, instead, of “cash-settled” plans, the cost of the work services received is recognised in the Income statement item “160 - a) Personnel Expenses” as a balancing entry to a liability to be measured at *fair value* based on the price of the shares assigned. The fair value must be updated at the end of each financial year and at the settlement date by posting changes in fair value to the income statement until the liability is extinguished.

When the assigned shares or countervalue cannot immediately be used by the employee, but rather are available only after the employee has completed a specific period of service, the company recognises the cost as consideration for the service rendered throughout the accrual period for these conditions (“vesting period”).

Financial instruments offsetting

Pursuant to IAS 32, paragraph 42, financial assets and financial liabilities are offset and recognised in the Financial Statements for the net balance if the entity:

- has a legal right to effect such set-off, which is currently exercisable in all circumstances, whether in the ordinary conduct of business or in situations of non-performance, insolvency or bankruptcy of the parties;
- intends to settle transactions on a net settlement or on a gross settlement basis whose material effect is equivalent to a net settlement.

For derivative instruments covered by netting agreements, which comply with the requirements outlined above, Circular No. 262 provides for netting between all trading derivatives and all hedging derivatives. Should the imbalance of trading derivatives have the opposite sign to the imbalance of all hedging derivatives, a net presentation of these imbalances is provided: Conventionally, the net balance is allocated to the trading portfolio rather than to hedging derivatives, depending on the absolute value of the imbalance between trading and hedging derivatives.

In accordance with the requirements of IFRS 7, more detailed information is provided in the tables contained in Part B - Other Information of these Notes to the financial statements, in which the following are more specifically set out:

- the book values of assets and liabilities that meet the requirements of IAS 32, paragraph 42, before and after accounting offsetting;
- exposures subject to framework offsetting agreements that have not given rise to offsetting but which may potentially trigger offsetting as a result of specific circumstances;
- the collateral attached to them.

Business combinations

A business combination is defined as the transfer of control of a company (or of a group of assets and integrated goods, conducted and managed as a unit). For the definition of control, please refer to Section 3 “Scope of consolidation” of this part A of the Notes to the financial statements.

A business combination may give rise to an investment link between the acquiring Parent Company and the acquired subsidiary. In these cases, the acquirer applies IFRS 3 “Business combinations” to its consolidated financial statements, while in the separate financial statements it recognises the acquired interest as an equity investment in a subsidiary, consequently applying IAS 27 “Separate financial statements”.

A business combination may also provide for the acquisition of the net assets of another entity, including any goodwill, or the acquisition of the share capital of another entity (e.g., mergers, splits, acquisitions of business units). Such a business combination is not an investment link like the one between a parent company and a subsidiary, and therefore in these cases IFRS 3 is also applied to the acquiring entity’s separate financial statements.

Business combinations are accounted for using the purchase method, which requires: (i) identification of the acquirer; (ii) determination of the acquisition date; (iii) determination of the cost of the business combination; (iii) allocation of the acquisition price (“Purchase Price Allocation”).

Identification of the acquirer

IFRS 3 requires that an acquirer is identified for all business combinations, identified as the party that obtains control over another entity, understood as the power to set financial and management policies of the entity in order to receive benefits from its activities. In the case of business combination transactions that result in the exchange of equity

interests, identification of the acquirer must consider factors such as: (i) the number of new ordinary voting shares issued out of the total number of ordinary voting shares that will constitute the capital of the existing company after the combination; (ii) the fair value of the entities participating in the combination; (iii) the composition of the new corporate bodies; (iv) the entity issuing the new shares.

Determination of the acquisition date

The acquisition must be posted to the accounts on the date when the acquirer effectively obtains control over the entity and/or assets acquired. When the transaction is made in a single exchange transaction, the date of exchange is equal to the date of acquisition unless the parties agree a transfer of control prior to the date of exchange.

Determination of the cost of the business combination

The consideration paid in a business combination is equal to the fair value, on the purchase date, of assets sold, liabilities incurred, and equity instruments issued by the acquirer in exchange for obtaining control of the acquired entity. The consideration that the acquirer transfers in exchange to the acquired entity includes any assets and liabilities resulting from an agreement on "contingent consideration", to be recognised at the fair value on the acquisition date. Changes to the consideration transferred are possible if they result from additional information on events and circumstances that existed at the acquisition date and may be recognised within the measurement period for the business combination (i.e., within twelve months from the acquisition date, as specified below). Any other changes deriving from events or circumstances subsequent to the acquisition, such as consideration recognised to the seller linked to the achievement of a certain profit performance, must be recorded in the income statement.

Costs related to the acquisition, which include brokerage fees, consulting, legal, accounting, and professional fees, as well as general administrative costs, are recorded in the income statement as they are incurred, with the exception of the costs of issuing shares and debt securities, which are recognised on the basis of the provisions of IAS 32 and IFRS 9.

Allocation of the acquisition price ("Purchase Price Allocation")

According to the purchase method, at acquisition date the acquirer must allocate the cost of the business combination (known as PPA, "Purchase Price Allocation") to the identifiable assets acquired and to the liabilities assumed measured at their fair value on that date, as well as recognising the value of non-controlling interests of the acquired entity. Exceptions to the application of this principle are the detection of: (i) income taxes; (ii) liabilities relating to employee benefits; (iii) assets arising from indemnities; (iv) share-based payment transactions; (v) assets held for sale; leasing where the acquiree is the lessee; (vi) regained rights and (vii) insurance contracts for which the respective reference principles apply.

Therefore, it is necessary to draw up a balance sheet for the acquired entity, at the acquisition date, measuring at fair value the identifiable assets acquired (including any intangible assets not previously recognised by the acquired entity) and identifiable liabilities assumed (including contingent liabilities).

For each business combination, non-controlling interests may be recognised at fair value or in proportion with the percentage of identifiable net assets held in the company acquired.

In addition, if control obtained through subsequent acquisitions (business combinations carried out in several phases), the previously held equity interest is measured at fair value at the acquisition date and the difference compared to the previous book value must be charged to the income statement or to other revenue components in the statement of comprehensive income.

Hence, at the acquisition date, the acquirer must determine the difference between:

- the sum of:
 - o the cost of the business combination;
 - o the amount of any non-controlling interests as described above;
 - o the fair value of any equity interests previously held by the acquirer;

and

- the fair value of identifiable net assets acquired, including contingent liabilities.

Any positive difference must be recorded as goodwill; conversely, any negative difference must be charged to the income statement of the entity resulting from the business combination as profit deriving from the purchase at favourable prices (negative goodwill, or badwill), after having performed a new measurement aimed at ascertaining the correct process of identifying all assets acquired and liabilities assumed.

The fair value of assets and liabilities must be definitively identified within the maximum term of twelve months from the acquisition date (measurement period).

Once control has been obtained and the purchase method described above has been applied, any further increase or decrease in the equity interest in a subsidiary in which control is maintained is recognised as a transaction between shareholders. Therefore, the book values of the shareholders' equity of the Group and non-controlling interests must be adjusted to reflect changes in equity interests in the subsidiary. Any difference between the value for which non-controlling interests are adjusted and the fair value of the consideration paid or received must be recognised directly in the Group's shareholders' equity.

If there is an event which results in the loss of control, an entry is made to the income statement equivalent to the difference between (i) the sum of the fair value of the consideration received and the fair value of the residual equity interest held and (ii) the previous book value of the assets (including goodwill) and liabilities of the subsidiary and any minority shareholders' equity. The amounts previously recognised in the statement of comprehensive income (such as the valuation reserves of financial assets measured at fair value through other comprehensive income) must be accounted for in the same way as if the parent company had directly disposed of the assets or the related liabilities (through reclassification in the income statement or shareholders' equity).

The fair value of any equity interest held in the former subsidiary must be considered equal to the fair value upon initial recognition of a financial asset according to IFRS 9, or, where appropriate, equal to the cost at the time of initial recognition in an associate company or a jointly controlled entity.

Business combinations under common control

Business combinations of entities under common control are excluded from the scope of application of IFRS 3 and in the absence of a reference standard, such business combinations are accounted for by referring to Assirevi Preliminary Guidance No. 1 and No. 2 (OPI 1 - "Accounting treatment of business combinations of entities under common control" in the separate and consolidated financial statements and OPI 2 - "Accounting treatment of mergers in the financial statements"). These guidelines consider the economic significance of business combinations on the basis of cash flow impact on the Bank. Transactions that do not have a significant impact on future cash flows are recognised on a going-concern basis. In particular, the values adopted are those resulting from the Consolidated Financial Statements of the Group at the date of transfer of the assets. This is in compliance with the provisions of IAS 8, paragraph 10, which requires, in the absence of a specific standard, to use one's judgement in applying an accounting standard in order to provide relevant, reliable, prudent disclosure that reflects the economic substance of the transaction.

Amortised cost

The amortised cost of financial assets or liabilities is the value at which they were measured upon initial recognition, net of principal repayments, plus or minus overall amortisation calculated using the effective interest method, on the differences between the initial value and that at maturity and net of any impairment.

The effective interest rate is the rate which equates the present value of a financial asset or liability with the future contractual payments or collection cash flows until maturity or a subsequent repricing date. To calculate the current value, the effective interest rate is applied to future collection or payment flows over the entire useful life of the financial assets or liabilities – or for a shorter period if certain conditions are met (for example, a change to market rates).

Following initial recognition, the amortised cost makes it possible to allocate income and costs reducing or increasing the instrument over its entire expected life by means of the amortisation process. The determination of the amortised cost is different depending on whether the financial assets/liabilities are subject to valuation at a fixed or variable rate.

For fixed-rate instruments, future cash flows are quantified based on the known interest rate during the term of the financing. For floating-rate financial assets/liabilities, whose variability is not known beforehand (because, for example, it is tied to an index), cash flows are determined on the basis of the last known rate. At every rate review date, the amortisation schedule and the actual rate of return over the entire useful life of the instrument, i.e. until maturity, are recalculated. The adjustment is recognised as cost or income in the income statement.

Financial assets measured at amortised cost and those measured at fair value with an impact on comprehensive income are measured at amortised cost; as well as for financial liabilities measured at amortised cost.

Financial assets and liabilities traded at market conditions are initially recognised at their fair value, which normally corresponds to the amount disbursed or paid inclusive - in the case of instruments valued at amortised cost - of transaction costs and commissions directly attributable to the assets and liabilities.

Transaction costs include marginal internal and external costs and income attributable to the issue, acquisition or sale of a financial instrument that cannot be charged to the customer. These fees, which must be directly attributable to the individual financial assets or liabilities, impact the original effective return and make the effective interest rate associated with the transaction different from the contractual interest rate. Indistinguishable costs related to several transactions

and components related to events that may occur during the life of the financial instrument, but which are not certain at the time of the initial definition, are excluded, such as: fees for retrocession, for failure to use, and for early repayment.

Commissions for services collected following the performance of structured finance activities that would have been collected regardless of the subsequent financing of the transaction (such as, for example, facilities and arrangements fees), as well costs for underwriting transactions and participation in syndicated transactions, are also not considered in the calculation of the amortised cost.

With particular reference to loans, fees paid to distribution channels (agents, advisors, brokers) and administrative costs (appraisals, notarial services, etc.) associated with any subrogations are considered costs attributable to the financial instrument; while revenues considered in the calculation of the amortised cost are assessment fees, practical management fees and up-front fees relating to lending at below-market rates.

With regard to securities not measured at fair value through profit or loss, transaction costs include both commissions for contracts with brokers operating on Italian stock markets and commissions paid to intermediaries operating on foreign stock and bond markets defined on the basis of commission tables.

For securities issued, commissions for bond placement paid to third parties, amounts paid to stock exchanges, and fees paid to the auditors for activities performed for each individual issue are considered in the calculation of amortised cost, while commissions paid to rating agencies, legal expenses and consultancy/audit fees for the annual update of the prospectuses, as well as costs for the use of indices and commissions that originate during the life of the bond are not considered in the amortised cost calculation.

Compared to the general approach, the effective interest rate must be calculated differently for those financial instruments measured at amortised cost or at fair value through other comprehensive income, purchased or originated, which at the time of their initial recognition are already credit impaired (known as PCI or OCI).

The amortised cost also applies to the measurement of the impairment of the financial instruments listed above as well as to the recognition of those issued or purchased at a value other than their fair value. The latter are recorded at fair value, rather than for the amount collected or paid, calculated by discounting future cash flows at a rate equal to the effective rate of return of similar instruments (in terms of creditworthiness, contractual maturity, currency, etc.), with a financial income or expense recognised in the income statement at the same time; subsequent to initial valuation, they are valued at amortised cost, with actual interest being higher or lower than nominal interest. Lastly, structured liabilities that are not measured at fair value through profit or loss are also measured at amortised cost as the derivative contract embedded in the financial instrument has been recognised separately.

The criterion for measurement at amortised cost does not apply for hedged financial assets/liabilities for which changes in fair value for the hedged risk are charged to the income statement. However, the financial instrument is re-measured at amortised cost if the hedge is suspended, the moment from which the previously recognised changes in fair value are amortised, by calculating a new effective interest rate that considers the loan value adjusted for the fair value of the hedged element, until the expiry of the hedge that was originally envisaged. Moreover, as mentioned above in the paragraphs relating to financial assets and liabilities measured at amortised cost, the amortised cost measurement does not apply to financial assets/liabilities whose short duration makes the economic effect of discounting negligible or to loans without a defined maturity or revocation.

Purchased or originated credit impaired financial assets (POCI)

These are instruments for which the credit risk is very high and which, in the event of purchase, are purchased at a considerably discounted value compared to the initial disbursement value; for this reason, they are considered already credit impaired at the time of first recognition in the Financial Statements. Depending on the Business Model with which the asset is managed, these assets are classified in item "30 - Financial assets measured at fair value through other comprehensive income" or in item "40 - Financial assets measured at amortised cost" and among off-balance sheet exposures.

In relation to POCIs, there are two different types:

- instruments or portfolios of non-performing loans acquired on the market (Purchased Credit Impaired – "PCI");
- loans disbursed by the Bank to customers characterised by a very high credit risk (Originated Credit Impaired – "OCI").

Impaired financial assets acquired through a business combination pursuant to IFRS 3 fall within the scope of application of IFRS 9 PCI.

It should be noted that, regardless of the stage in which they are recorded, these financial assets are accounted for separately from the three stages of credit risk.

With reference to the initial recognition, measurement and derecognition criteria, please refer to the discussion corresponding to the asset items into which they can be classified, with the exception of what is specified below in relation to procedures for calculating amortised cost and impairment.

In detail, the amortised cost and consequently the interest income are calculated using an effective interest rate adjusted for the credit (known as “credit-adjusted effective interest rate” or CEIR). For calculating the effective interest rate, the aforementioned credit adjustment entails including the expected credit losses over the entire residual duration of the asset in the estimate of future cash flows. For the purposes of calculating the CEIR, the Bank uses contractual cash flows net of expected losses.

In addition, the assets in question require special treatment also with regard to the impairment process, as they are always subject to the determination of an expected loss over the life of the financial instrument (lifetime ECL). It should be noted that an expected loss shall be recognised according to an impairment model based on the Lifetime Expected Credit Loss, including when these financial assets are reclassified among performing loans.

After initial recognition, the profit or loss deriving from any change in expected losses over the life of the loan compared to the initial estimate must be recorded in the income statement. Thus, for these assets, expected losses cannot be calculated using the one-year time horizon as a reference.

Renegotiations

In some cases, over the life of financial assets and, in particular, of loans, the original contractual conditions are subsequently modified as agreed by the parties to the contract. When, during an instrument’s life, the contractual clauses are changed (both in the case the change is formalised by signing a new contract and when there is an amendment to the existing contract), it is necessary to check whether the original asset must continue to be recognised in financial statements or if, conversely, the original instrument must be derecognised from financial statements and a new financial instrument must be recognised.

In general, changes to a financial asset result in its derecognition and to the recording of a new asset when these changes are “substantial”. The determination of the “substantiality” of the change is made by considering only qualitative elements. In particular, renegotiations are deemed to be substantial when:

- introduce specific objective elements that impact on the characteristics and/or the financial flows of the financial instrument (such as for example the change in the currency, the change of the counterparty not belonging to the same group as the original debtor, the introduction of indexing to equity or goods parameters, the introduction of the possibility of converting the loan into participatory equity/financial instruments/other non-financial assets, and the provision of “pay if you can” clauses which allow the debtor the maximum freedom in repaying the loan in terms of time and amount) in consideration of the significant impact expected from the original financial flows; or
- are implemented with respect to customers that have no financial difficulties, with the objective of adapt the onerousness of the contract to current market conditions.

In the latter case, it should be noted that, if the Bank does not grant a renegotiation of contractual conditions, the customer would be able to obtain funding from another intermediary, which would result in the loss for the Bank of the revenue streams envisaged in the renegotiated contract. In other words, for a commercial renegotiation, the Bank would not have any loss to be recorded in the income statement as a result of the realignment to the best current market conditions for its customers. Instead, for renegotiations considered not to be substantial, the gross value is recalculated by determining the present value of cash flows resulting from the renegotiation, based on the original rate of the exposure prior to the renegotiation. The difference between this gross value and the gross book value prior to the change is recorded in the income statement under item “140 - Gains/losses from contractual changes without cancellation” (known as “modification accounting”).

In the case of non-substantial renegotiations, the modifications granted to counterparties experiencing financial difficulties (granting of forbearance measures) are attributable to the Bank’s attempt to maximise the recovery of the original exposure, whose risks and benefits continue to be borne by the Bank. Exceptions are made for changes that introduce substantial objective elements in the contract that can themselves lead to the derecognition of the financial asset, as previously described.

Lastly, the changes to financial assets following the Reform of the reference indices for the determination of interest rates (IBOR Reform), relating to the change in the basis for determining the contractual cash flows (replacement of the

reference index for determining the existing interest rates with an alternative reference rate), do not constitute a derecognition but rather are accounted for as a change. These changes, if made as a direct consequence of IBOR Reform and on an equivalent economic basis, are represented by a prospective adjustment of the actual interest rate - applying paragraph B5.4.5 of IFRS 9 instead of "modification accounting" - with impacts on the net interest income of future periods.

Fair value option

In its financial risk management policy, relating to financial instruments included in the banking book, the Bank has used the Fair Value Option accounting technique alongside fair value hedging and cash flow hedging methods.

The Fair Value Option was used to represent operational hedges on fixed-rate or structured bonds and certificates of deposit issued at fixed rates (accounting mismatch).

The scope of application of the Fair Value Option currently regards primarily fixed-rate securities and structured securities subject to hedges on interest rate risk and the risk deriving from embedded derivative components.

IFRS 9 allows the option of designating a financial instrument under the Fair Value Option to be exercised irrevocably only upon initial recognition. Therefore, the Fair Value Option cannot be used for the accounting management of hedges of funding instruments issued prior to the decision to implement the hedge; for these hedges, the hedge accounting technique must be used, which is also used to manage the hedging of the bond issues that are traded in the secondary market at market values.

Unlike hedge accounting, whose rules provide that only fair value changes attributable to the hedged risk are recognised for the hedged instrument, the Fair Value Option involves the recognition of all fair value changes, regardless of the risk factor that is being hedged.

For the issues in question, the fair value is measured, firstly, by referencing observable prices in markets considered active, such as regulated markets, electronic trading circuits (e.g. Bloomberg) or organised or similar exchanges. If there are no observable prices on active markets, they are measured based on prices of recent transactions for the same instrument in non-active markets in addition to using valuation techniques, based on a cash flow discounting model, which must consider all factors considered relevant by market participants in determining a hypothetical transaction on an exchange. In particular, for determining creditworthiness, the implicit spreads of comparable issuers are used in active markets in addition to the Bank's credit default swap curve with the same level of subordination of the security being measured. The quantification of effects resulting from the change in own creditworthiness between the issue date and the measurement date is calculated as the difference between the fair value obtained considering all of the loan's risk factors, including the credit risk, and the fair value obtained considering the same factors, excluding the change in own credit risk that occurred during the period.

For further details on methods for calculating fair value, please refer to the exhaustive information provided in the relevant paragraph in "Part A.4 - Information on fair value".

With reference to the criteria for recognition in financial statements, note that:

- derivatives connected with financial liabilities measured at fair value are classified under "Financial assets measured at fair value through profit or loss: a) financial assets held for trading" or "Financial liabilities held for trading";
- spreads and margins accrued on derivatives up to the measurement date are included, depending on the balance, in "interest income" or "interest expense", consistent with the accruals recorded on bonds subject to operational hedges;
- gains and losses from realisation and measurement of loans under the Fair value Option are recognised in the income statement item "110 - Net profit (loss) from other assets and financial liabilities measured at *fair value* through profit or loss", except for the valuation and realisation effects related to changes in own creditworthiness, which are recognised as a contra-entry to a specific equity reserve (item "110 - Valuation reserves"), unless this latter treatment would create or amplify an asymmetry in the economic result, as described in greater detail in the section "13 - Financial liabilities measured at *fair value*".
- results of the measurement of derivatives associated with loans under the fair value option are recorded in the income statement item "80 - Net profit (loss) from trading".

From the perspective of prudential supervision, in compliance with regulations in force, distorting effects from changes in fair value due to changes in own creditworthiness are eliminated from own funds.

Lastly, note that gains posted to the income statement under the fair value option and not yet realised are not distributable.

Contributions to deposit guarantee systems and resolution mechanisms

Following the incorporation into national law of Directives 2014/49/EU (Deposit Guarantee Schemes Directive – “DGSD”) of 16 April 2014 and 2014/59/EU (Bank Recovery and Resolution Directive – “BRRD”) of 15 May 2014, starting from the 2015 financial year, credit institutions are obliged to provide the financial resources necessary for the financing of the Italian Interbank Deposit Protection Fund (FITD) and the National Resolution Fund (merged into the Single Resolution Fund (SRF) as of 2016), through the payment of ex-ante ordinary contributions to be paid annually, until 0.8% of the total protected deposits is reached by 3 July 2024. Should the financial means available to the FITD and/or the SRF not be sufficient, respectively to guarantee the reimbursement of the protected deposit or to finance the resolution, it is required that credit institutions make the payment of extraordinary contributions. Contributions are recognised under item “190 – Administrative expenses – (b) Other administrative expenses” in the income statement, in application of the IFRIC 21 “Levies” interpretation, on the basis of which a liability related to the payment of levies derives from the occurrence of the “binding event” which triggers the payment obligation. The contributions are considered, from an accounting point of view, similar to a levy and the moment of onset of the “binding event” was identified in the first quarter for the SRF and in the third quarter for the FITD.

With regard to the SRF, it should be noted that, as was the case for 2024, following the achievement of the 1% target level of the amount of protected deposits as at 31 December 2024, no further contributions were requested from the Group or from the entire European banking system for 2025.

The total contribution to the FITD recognised in the 2025 income statement amounts to EUR 5.3 mln (EUR 71.1 mln as at 31 December 2024).

A “Life Insurance Guarantee Fund”, in which Italian insurance companies and branches of non-EU insurance companies participate, was established by Law no. 213 of 30 December 2023. The Fund’s financial resources are made up of participants’ contributions, which must be proportionate to the Fund’s liabilities and in any case must be equal to at least 0.4% (the “target”) of the amount of participating companies’ life insurance technical reserves. This is target to be achieved gradually by 31 December 2035. The contributions levied from insurance brokers are determined in relation to the total volume of life insurance products distributed and associated revenues associated, albeit these levies should not exceed one-fifth of the annual contribution. Also for 2025, application of the temporary regime was confirmed; therefore, the contributions due by intermediaries registered in section D of the RUI, which includes banks, are equal to 0.1 per thousand of the amount of intermediated life insurance technical reserves.

The ordinary contribution to the Life Insurance Guarantee Fund recognised in the Income statement for 2025 amounts to EUR 2.2 mln.

Synthetic securitisations

In synthetic securitisation transactions, the Bank, through the execution of a financial guarantee contract, acquires protection against the credit risk underlying a loan portfolio, of which it retains full ownership. These transactions have the objective of freeing up regulatory and economic capital by reducing the level of credit risk of the portfolio underlying the transaction (Significant Risk Transfer – “SRT”), which is transferred to an external counterparty without entailing the derecognition of the assets.

The SRT must be constantly monitored also during the life of the transaction, in order to ensure that the regulatory criteria that require the Originator to retain a share of the net economic interest equal to at least 5% of the nominal value of the securitised portfolio, are met.

The transactions are structured in different tranches according to the riskiness of the portfolio. From an accounting point of view, synthetic securitisation transactions take the form of financial guarantees received in which the Bank acts exclusively on the purchaser’s side of protection against credit risk, if the following aspects are ensured:

- stipulation of the contract for the purpose of hedging credit risk, deriving from debt instruments;
- presence of the deliverable obligation, for the purposes of activation of the financial guarantee, in the financial statements of the protection buyer;

- unbudgeted payments in response to changes in specific rates, prices, ratings, exchange rates, indexes or other variables that are governed by the rules on derivatives but as a consequence of a credit event (such as a change to default);
- repayments made by the protection seller only if the protection buyer has suffered losses against the hedged asset and for an amount not exceeding the loss actually incurred.

The premium paid by the Bank to investors for credit risk protection is recognised in the income statement item "50. Fee and commission expense". The enforcement of the financial guarantee received by the investors upon the occurrence of contractually agreed conditions (known as credit event) relating to securitised loans under income statement item "130. Net impairment losses/reversals on credit risk".

For further details, please refer to the information provided in the consolidated Notes to the financial statements, under "Part E – Section 1 – C. Securitisation transactions".

Tax credits linked to the "Rilancio" Decree-Law acquired following assignment by the direct beneficiaries or previous purchasers

The Italian Law Decrees no. 18/2020 (so-called "Cura Italia") and no. 34/2020 (so-called "Rilancio") introduced into the Italian legal system incentive tax measures connected with both investment expenses (e.g. eco and sismabonus) and current expenses (e.g. rents of premises for non-residential use). The Government has also intervened on the matter again through Italian Law Decree no. 50/2022 (so-called "Aiuti Decree") mainly by redefining the pool of potential transferees.

These tax incentives (which have currently been significantly scaled back as a result of legislative measures aimed at mitigating their impacts on the public finances) apply to households or businesses, are calculated as a percentage of the expenditure incurred (in some cases reaching 110%) and are granted in the form of tax credits or tax deductions (convertible, at the holder's option, into tax credits). The main characteristics of these tax credits are: (i) they may be used for offsetting; (ii) they may be assigned to third-party purchasers; and (iii) they are not refundable by the Tax Authority.

The accounting treatment of tax credits acquired from a third party (transferee of the tax credit) is not subject to a specific international accounting standard. IAS 8 establishes that, when there is a situation not explicitly addressed in an IAS/IFRS, the company management defines an appropriate accounting policy to ensure relevant and reliable disclosure of such transactions.

The Bank, with reference to the acquired tax credits, in line with the joint document issued by the Authorities¹⁴⁵, has defined its *accounting policy* which refers to the accounting rules laid out in IFRS 9, applying by analogy the provisions compatible with the characteristics of the transaction and considering that, in substance, these credits are equivalent to financial assets.

The Bank purchases the credits based on its Tax Capacity with a view to holding them and using them for future offsetting; therefore, these credits are linked to a Hold to Collect Business Model and recognised at amortised cost, with remuneration represented in net interest income throughout the recovery time period.

The valuation of these credits is carried out by considering utilisation flows through estimated future offsetting; however, the accounting framework provided by IFRS 9 does not apply to this specific case for the calculation of expected losses, i.e. the expected credit loss (ECL) is not calculated as there is no counterparty credit risk, taking into account that tax credits are realised through offsetting and not collection.

Lastly, as specified in the joint Authority document, taking into account that for the purposes of the international accounting standards these tax credits do not represent tax assets, public contributions, intangible assets or financial assets, the most appropriate classification for representation in the financial statements is the residual category "Other Assets" in the Balance Sheet.

As at 31 December 2025, the nominal value of the total tax credits acquired amounted to EUR 3,396.1 mln. Taking into account credits offset until this point, totalling EUR 1,890.7 mln, the residual nominal amount as at 31 December 2025 came to EUR 1,505.4 mln. The corresponding book value, recognised in the balance sheet item "130. Other assets" at

¹⁴⁵ Accounting treatment of tax credits purchased pursuant to the "Cura Italia" and "Rilancio" Italian Law Decrees published on 5 January 2021 by the coordination table between the Bank of Italy, Consob and IVASS on the application of IAS/IFRS

amortised cost, which takes into account the acquisition price and the net amounts accrued as at 31 December 2025, amounts to EUR 1,385.3 mln.

It should also be noted that the Bank, as at 31 December 2025, has received requests for the sale of these receivables for a total amount of approximately EUR 650.5 mln, currently under review/processing. The total amount of credits acquired and assignment requests being processed - the latter appropriately adjusted to factor in the incidence of dossiers abandoned and/or rejected by the Bank -, is in line with the estimate of the overall fiscal capacity (the so-called "Tax Capacity"), i.e. the tax payments that the Bank expects to make and that are available for offsetting with "Bonus Edilizi" tax credits. The aforementioned valuation also takes into account the significant decrease in the estimated prospective "Tax Capacity" caused by changes to the rules underlying the use of tax credits purchased introduced by Law no. 67 of 23 May 2024, which converted, with amendments, Decree Law no. 39/2024 into law.

Contribution for the release from the Extraordinary Tax on the increase in net interest income

With reference to the "Extra Profitti" reserve established, as provided for by the shareholders' meeting resolution of 11 April 2024, pursuant to Article 26, paragraph 5-bis, of Italian Law Decree no. 104 of 10 August 2023 (converted into Law no. 136 of 9 October 2023), Law no. 199 of 30 December 2025 – the so-called 2026 Finance Act – introduced, in Article 1, paragraph 68, a legal presumption of priority distribution. This presumption, effective for profit distributions made starting from 1 January 2029, entails the obligation to pay the extraordinary tax of 40% provided for in the aforementioned Article 26 of Italian Law Decree no. 104/2023, whose application had been suspended following the establishment of said reserve.

The same Law no. 199/2025 (Article 1, paragraphs 69–73) introduced a transitional regime, valid until the financial year ending 31 December 2028, which allows the legal presumption referred to above to be disapplied. In particular, it provides that the obligation to pay the extraordinary tax may be excluded subject to the release of the "Extra Profitti" reserve, i.e. by subjecting it to an extraordinary contribution equal to:

- 27.5% of the reserve existing at the end of the financial year ending 31 December 2025 (for entities whose financial year coincides with the calendar year); or
- 33% of the reserve existing at the end of the financial year following the one ending 31 December 2025 (again for entities whose financial year coincides with the calendar year).

The extraordinary contribution must be paid within the deadline set for settlement of income taxes relating to the relevant tax period (respectively 30 June 2026 and 30 June 2027) and is non-deductible for income tax purposes.

Given the Bank's decision made in January 2026 by the Board of Directors to avail itself of this transitional regime and to proceed with payment of the contribution in 2026 at the rate of 27.5%, the related liability was considered to already exist as at 31 December 2025, as the 2026 Finance Act was approved on 30 December 2025 and can therefore be considered "substantially enacted" at the 2025 reporting date.

From an accounting perspective, identification of the balancing entry for the liability relating to the contribution is not specifically addressed by international accounting standards. IAS 8 provides that, in the absence of specific guidance, management must define an accounting policy suitable for providing relevant and reliable disclosure.

In this context, the Bank – in line with analyses conducted at banking system level – has defined its accounting policy by making reference, by analogy, to the principles of IAS 12, applying in particular paragraph 61A, which requires that taxation be recognised consistently with the criteria adopted for the balance sheet or income statement item from which it originates.

Consequently, since the extraordinary contribution impacts an equity item, the Bank recognised the balancing entry in shareholders' equity, in particular under *Other reserves*.

As at 31 December 2025, taking into account the Extra Profitti reserve amounting to EUR 308.8 mln, the Bank recognised a liability for the contribution due of approximately EUR 85.0 mln, with a balancing entry of a reduction in the Other reserves item within shareholders' equity.

Early retirement incentive plans

Termination of employment may be attained through the employee's voluntary acceptance of a company plan to reduce staff following a proposal to incentivise voluntary resignations due to redundancies, i.e. in the case of exit incentive plans.

These plans provide employment termination benefits and are drawn up, in terms of the number of exits and the timing of implementation, within the scope of the Business Plan objectives.

The agreements executed between the Bank and the trade unions generally provide for the extent of the pool of potential participants and payments made on a lump-sum basis, in addition to the additional payment of other benefits such as, for example, the maintenance of the insurance policy, the maintenance of welfare coverage and supplementary pension schemes, until the employee's reaches the INPS retirement age.

The Bank recognises a provision by type, under personnel expenses, as a balancing entry to a provision for risks and charges under item "100 Provisions for risks and charges: c) other provisions for risks and charges" when the requirements of IAS 37 are met, i.e. in the presence of an obligation of a contractual nature to provide the services and benefits covered by the agreement, when it is probable that a flow of resources will be required to fulfil the obligation, for an amount that represents the best possible estimate of the expenditure needed to settle the related obligation in place at the reporting date. Since this is a multi-year obligation, the estimated amount is subject to discounting to reflect the effect of the passing of time (IAS 37.45).

When the uncertainty mainly related to the amount of the redundancy incentive cost is resolved, the Bank recognises a liability as a balancing entry to the Provision for risks and charges.

Classification of ESG financial instruments

As part of the Bank's ESG strategy, it offers loans intended for projects

that are sustainable, whose contractual documentation includes clauses that link the amount of contractual cash flows to the achievement of specific targets in environmental sustainability matters (so-called "ESG covenants"), with the objective of rewarding companies that embark on virtuous sustainability paths, in terms of lower environmental impact (Environmental), pursuit of inclusion policies and support for the community (Social) or organisational strengthening (Governance). This premium foresees a reduction in the loan spread to a contractually established maximum (usually 10 basis points) if certain borrower-specific sustainability targets ("ESG covenants") are found to have been met.

From an accounting perspective, financial instruments not held for trading, for which cash flows are based on the occurrence of a contingent event linked to the achievement of ESG targets, are recognised according to the Solely Payment Of Principal And Interest (SPPI) assessment. On this aspect, the IASB provided some clarification on how such clauses are treated for SPPI assessment purposes through the amendment to IFRS 9 and IFRS 7 "Amendments to the Classification and Measurement of Financial Instruments" published on 30 May 2024 **and** whose amendments take effect for annual periods beginning on or after 1 January 2026.

Based on preliminary analyses carried out, the Bank considers the ESG clauses currently applied in the products offered to its customers to be consistent with the SPPI test, as:

- following qualitative and quantitative assessments of the residual impact of those clauses on the contractual cash flows on the financial instrument, it was found that they are non-critical;
- the change in cash flows is linked to a contingent event incumbent on the debtor, such as the debtor meeting targets to reduce gas emissions, and not to market parameters/indices;
- the cash flows resulting from the occurrence or non-occurrence of the contingent event represent neither an investment in the debtor nor an exposure to the performance of specific assets.

Therefore, the Bank's loan products incorporating "ESG covenants" are classified entirely within the portfolio of "Financial assets measured at amortised cost" – in line with the HTC business model – as the related contractual flows were deemed SPPI-compliant.

The same considerations apply to the Bank's investments in securities that incorporate ESG covenants, for the purposes of classifying them within the portfolio of "Financial assets measured at amortised cost and financial assets measured at fair value through other comprehensive income".

Other Matters

Classification criteria for financial assets

The classification of financial assets in the three categories envisaged by the standard depends on two classification criteria, or drivers: the business model with which the financial instruments are managed and the contractual characteristics of the cash flows of the financial assets (or SPPI Test).

The financial asset classification derives from the combination of these two drivers, as shown below:

- Financial assets measured at amortised cost: assets that pass the SPPI test and fall under the Hold to Collect business model (HTC);
- Financial assets measured at fair value through other comprehensive income (FVOCI): assets that pass the SPPI test and fall under the Hold to Collect and Sell business model (HTC&S);
- Financial assets measured at fair value through profit or loss (FVTPL): a residual category, which includes financial instruments that cannot be classified in the previous categories based on the results of the business model test or the test on the characteristics of contractual cash flows (SPPI test failed).

Business model

With regard to the business model, IFRS 9 identifies three cases in relation to the methods by which cash flows are managed and financial assets are sold:

- *Hold to Collect (HTC)*: a business model whose objective is achieved by collecting contractual cash flows from the financial assets included in the relative portfolios. The inclusion of a financial asset portfolio under this Business Model does not necessarily mean that the instruments cannot be sold, though it is necessary to consider the frequency, value, and timing of sales in previous financial years, reasons for sales, and expectations regarding future sales;
- *Hold to Collect and Sell (HTCS)*: a mixed business model, whose objective is achieved by collecting contractual cash flows from the financial assets included in the portfolios and by sales activities, which is an integral part of the strategy. Both activities (collection of contractual cash flows and sales) are essential for achieving the Business Model's objective. Therefore, sales are more frequent and for greater amounts than an HTC Business Model and are an essential component of the strategies pursued;
- *Other/Trading*: a residual category that includes both financial assets held for trading purposes and financial assets managed with a business model other than the previous categories (Held to Collect and Hold to Collect and Sell). In general, this classification applies to a portfolio of financial assets whose management and performance are assessed based on fair value.

The Business Model reflects the methods by which financial assets are managed to generate cash flows for the entity's benefit and is defined by top management through the appropriate involvement of business structures. It is determined by considering the ways in which financial assets are managed and, as a consequence, the extent to which the portfolio's cash flows derive either from the collection of contractual cash flows, or from the sale of financial assets, or from both of these events.

The assessment does not take place on the basis of scenarios that, based on the entity's reasonable forecasts, are not likely to occur, such as "worst case" or "stress case" scenarios. For example, if the entity expects to sell a given portfolio of financial assets only in a "stress case" scenario, that scenario does not affect the assessment of the entity's Business Model for those assets if that scenario, based on the entity's reasonable forecasts, is not likely to occur.

The Business Model does not depend on the intentions that management has for an individual financial instrument, but refers to the ways in which groups of financial assets are managed for the purpose of achieving a specific business objective.

In summary, the Business Model:

- reflects the methods by which financial assets are managed to generate cash flows;
- is defined by top management through the appropriate involvement of business structures;
- must be determined by considering the methods by which financial assets are managed.

When assessing a Business Model, all relevant factors available at the assessment date are used. These factors include the strategy, risks and their management, remuneration policies, reporting, and the amount of sales. In analysing the Business Model, it is crucial that the factors evaluated are consistent amongst themselves and, in particular, are consistent with the strategy pursued. Evidence of activity not in line with the strategy must be analysed and adequately justified.

For the Hold to Collect portfolios, the Bank has defined eligibility thresholds for sales that do not affect the classification (frequent but not significant, individually and in the aggregate, or infrequent though of a significant amount) and, at the same time, established the parameters to identify sales consistent with this business model, when they are attributable to an increase in credit risk or risks for bonds approaching maturity.

More specifically, as part of an HTC Business Model, sales are permitted i) in the event of an increase in credit risk, ii) when carried out near maturity, and finally, iii) when they are frequent but not significant in terms of value or infrequent, even if their value is significant.

An example is provided below of circumstances under which the Bank deems it permissible to sell the assets in question.

Increase in credit risk

The Bank believes that there is an increase in credit risk when events occur that involve:

- the classification of the financial asset under stage 2, previously classified under stage 1;
- the classification of the financial asset under impaired assets (or stage 3), previously classified under stages 1 or 2.

On the occurrence of these cases, sales are admissible, independently of any frequency or significance threshold; this occurs, for example, in the case of transfers of non-performing loans.

Proximity of the instrument's expiry

The Bank deems that, independently from any frequency or significance threshold, transfers are compatible with the HTC business model if the time interval before the expiry is 10% of the original duration of the instrument, with a maximum absolute limit of 12 months, and the difference between the amount earned from sales and residual contractual cash flows is not greater than 5% in absolute terms.

Frequency and significance lower than determined thresholds

- frequency is defined as the percentage ratio between the number of positions sold (ISIN or relationships) during the observation period and the total positions in the portfolio present at the beginning of the observation period. Sales carried out based on a number lower than a value equal to 5% of the number of securities held in the portfolio at the start of the year are infrequent (this value is equal to zero if the number of securities at the start of the year is under 40);
- significance is defined as the percentage ratio between the nominal value of sales and the total nominal value of instruments in the portfolio present at the beginning of the observation period. The significance threshold of individual sales identified by the Bank is 5%.

The two thresholds must be considered in a separate manner; it derives that individual sales made for an amount higher than 5% compared to initial amount, even if infrequent, are not admissible. In the case that both the frequency and significance thresholds are met for an individual sale, a further assessment is envisaged in terms of aggregate sales volume. In this case, the significance threshold of the aggregate amount of sales identified by the Bank is 10%.

These thresholds were established and applied at the level of both the individual legal entity belonging to the Bank and the Group itself and only for the debt securities portfolio, as the sales of loans portfolios made by the Group are attributable to an increase in the credit risk and to the strategy of derisking required by the Supervisory Authority.

"Held to Collect" Business Model – Sales

The accounting standard IFRS 9 requires that the exposures included in the portfolio of "Financial assets measured at amortised cost" be disposed of under the circumstances described above. With regard to this, it should be noted that transfers of debt securities made by the Bank in 2025 took place for a total nominal value of approximately EUR 1,270.0 mln in compliance with the significance and frequency thresholds, set out in the Bank's Accounting Policies, illustrated in part "A.2. Part relating to the main financial statement items", paragraph "Other Information, Other Aspects- Business Model", to which reference is made for further details.

In addition, as part of the derisking process illustrated in the Group's Report on Operations in the section "Significant events of the year", disposals of non-performing exposures represented by Loans to customers continued in 2025; these were deemed eligible regardless of any frequency and materiality thresholds, in line with the rules set out in IFRS 9 and the Bank's policy.

Finally, it should be noted that during 2025 and up to the date of preparation of these financial statements, there were no changes with regard to the admissibility criteria for sales of financial assets managed with the "HTC" Business Model. Lastly, please note that the management of debt securities classified in "HTC" and "HTCS" portfolios continue in accordance with the choices made in previous financial years; therefore, no change in the Business Model has occurred during the financial year which required a reclassification of the securities portfolio.

SPPI test

The other criterion to be used to determine whether a financial asset should be classified under financial instruments measured at amortised cost or at FVOCI - in addition to the Business Model analysis shown above - requires that the terms of contract relating to the asset establish provide for cash flows equivalent to solely payments of principal and interest on the principal amount outstanding (SPPI), repayable on specified dates. This assessment must be carried out for loans and debt securities in particular.

Each financial instrument must undergo SPPI assessment at the time it is recognised in the financial statements.

Subsequent to its initial recognition, and for as long as it is recognised in the financial statements, the asset no longer undergoes further valuations for SPPI assessment purposes. Where derecognising a financial instrument and recognising a new financial asset, the new asset must undergo SPPI assessment.

For purposes of the analysis, IFRS 9 proposes a definition of the terms “principal” and “interest”, as follows:

- the principal is intended as the fair value of the financial asset at the time of its initial recognition. This value may change during the life of the financial instrument, for example due to repayments of a portion of the principal;
- interest is the consideration for the time value of money, for the credit risk associated with the principal over a given period of time, for other risks and costs associated with the basic risks of a lending transaction, and for the profit margin.

In basic lending arrangements, the value of interest must depend exclusively on the time value of money and on the credit risk associated with the principal over a given period of time. Whenever the contractual terms introduce exposure to risk or volatility of contractual cash flows that is inconsistent with the definition of a basic lending arrangement, such as exposure to changes in equity or commodity prices, the contractual flows do not meet the definition of SPPI.

In cases where the time value of money is modified – for example when the interest rate of the asset is periodically restated, but the frequency of this restatement or the frequency of the payment does not correspond to the nature of the interest rate (for example, the interest rate is revised monthly on the basis of a one-year rate) or when the interest rate is periodically re-determined on the basis of an average of particular short or medium-long term rates – the undertaking must assess, both using quantitative and qualitative elements, if the contractual flows still meet the definition of SPPI (so-called benchmark cash flows test). If the test shows that the contractual cash flows (not discounted) are “significantly different” from the cash flows (also not discounted) of a benchmark instrument (i.e. without the modified time value element) the cash flows contractual agreements cannot be considered as meeting the definition of SPPI.

Particular analyses (so-called “look through tests”) are required by the standard and are consequently carried out also for multiple contractually linked instruments (“contractually linked instruments” - CLI) that create concentrations of credit risk for debt relief and for non-recourse assets, for example in cases where the receivable can be asserted only in relation to certain assets of the debtor or the cash flows deriving from certain assets.

In addition, any contractual clauses that could change the frequency or amount of contractual cash flows must be considered in order to assess whether such cash flows meet the requirements to be SPPI compliant (e.g., prepayment options, possibility to defer the contractually agreed cash flows, instruments with embedded derivatives, subordinated instruments, etc.).

However, as required by IFRS 9, a contractual cash flow characteristic does not affect the classification of the financial asset if it can only have a de minimis effect on the contractual cash flows of the financial asset (in each financial year and cumulatively). Similarly, if an element of cash flows is not realistic or genuine, i.e., if it affects the instrument’s contractual cash flows only at the occurrence of an extremely rare, highly unusual, and very unlikely event, it does not affect the classification of the financial asset.

For purposes of conducting the SPPI test on transactions in debt securities, the Bank uses the services of an info-provider. The test is carried out manually using a proprietary tool based on an internally developed methodology (decision trees) only if the securities are not managed by the info-provider.

A proprietary tool based on a method developed in-house (decision trees) was developed to perform the SPPI test for credit approval processes. In particular, given the significantly different characteristics, differentiated management is envisaged for products that have a standard contract (typically, the retail loan portfolio) and tailor-made loans (typically, the corporate loan portfolio). For standard products, the SPPI test is conducted when the standard contract is structured, through the “Product Approval” process, and the test result is extended to all individual relationships that refer to that product in the catalogue. Instead, for tailor-made products, the SPPI test is carried out for each new credit

line/relationship submitted to the decision-making body through the use of the tool. Decision trees - included in the proprietary tool - have been prepared internally (both for debt securities and loans) and capture possible features that may not comply with the SPPI test. The trees are used both for the implementation of the rules of the proprietary tool and for the verification and validation of the methodology adopted by the info-providers.

Use of estimates and assumptions when preparing financial statements

The application of certain accounting standards necessarily implies the use of estimates and assumptions that impact the values of the assets and liabilities recognised in the financial statements as well as the disclosure provided on contingent assets and liabilities. The assumptions underlying the estimates developed take into consideration all available information at the date on which these separate financial statements were drafted as well as the assumptions considered reasonable, also in light of historical experience. By their very nature, it is therefore not possible to exclude that the assumptions used, albeit reasonable, may not be confirmed in the future scenarios in which the Bank will be operating. In particular, it should be noted that significant elements of uncertainty persist in the current macroeconomic environment. Specifically, the international context continues to be affected by ongoing political instability and active conflicts. The announcement by the US administration of a large and widespread increase in tariffs, subsequent close-in-time decisions to suspend them, and the introduction of further new measures have helped to fuel this uncertainty. A further source of uncertainty is represented by the effects resulting from climate change, whose manifestations are becoming increasingly frequent and of serious impact. In this regard, please note that estimates could need to be revised following changes in the circumstances on which they were based, the availability of new information or the increased experience gained.

Lastly, please note that in order to allow an appreciation of the effects on the financial statements correlated to above mentioned elements of uncertainty, in these consolidated financial statements, for the main items of the financial statements subject to estimates (recoverability of deferred tax assets, expected losses on performing loans, recoverability of intangible assets with an indefinite useful life) information is provided on the main hypotheses and assumptions used in the estimate, as well as a sensitivity analysis with respect to alternative hypotheses.

Below are illustrated the Accounting Policies considered to be the most critical for the purpose of a true and fair representation of the Bank's financial position, results of operations and cash flows, both due to the materiality of the amounts to be recognised in the Financial Statements impacted by these policies, and due to the high degree of judgement inherent in the assessments, which implies the use of estimates and assumptions by the *management*, with reference to the specific sections of the Notes to the financial statements for detailed information on the evaluation processes carried out as at 31 December 2025.

The main cases in which subjective valuations are mostly opted for by Management include:

- a) quantification of impairment losses on loans and, more generally, other financial assets;
- b) assessment of the adequacy of the value of equity investments and of other non-financial assets (goodwill, intangible assets, and property, plant and equipment, including right of use assets acquired through leasing);
- c) use of valuation models to measure the fair value of financial instruments not listed in active markets;
- d) estimation and assumptions on recoverability of deferred tax assets;
- e) estimation of liabilities arising from defined benefit company pension funds;
- f) quantification of provisions for risks and charges related to legal and tax disputes;
- g) quantification of the fair value of investment properties and operating properties for business use.

For some of the cases listed above, the main factors that are subject to estimates by the Group, and which therefore contribute to determining the book value of assets and liabilities in the financial statements, can be identified.

In summary, note that:

- a) for the allocation in the three credit risk stages envisaged in IFRS 9 for loans and debt securities classified as "Financial assets measured at amortised cost" and "Financial assets measured at fair value through other comprehensive income", and the calculation of the expected losses, the main estimates concern:
 - o determination of the parameters of significant increase in credit risk, based essentially on models for measuring the probability of default (PD) at the origination of financial assets and at the reporting date;
 - o inclusion of forward-looking elements, including macroeconomic, for calculating PD, EAD, and LGD;
 - o calculation of the expected cash flows on non-performing loans, which take account: the expected recovery value of collaterals, if any, as well as the costs expected to be incurred for the recovery of the credit exposure; and finally

- calculation of the probability of sale for positions that have a disposal plan;
- b) for calculating the value in use of equity investments, the expected cash flows and cost of capital are estimated;
- c) for calculating the fair value of financial instruments not listed on active markets, if it is necessary to use parameters that cannot be inferred from the market, the main estimates concern, on one hand, the development of future cash flows (or also profits for equity securities), possibly contingent upon future events and, on the other, the level of certain input parameters not listed on active markets;
- d) for quantifying post-employment benefits, the present value of the obligations is estimated, taking into account the cash flows, appropriately discounted, resulting from the historical statistical analysis and the demographic curve;
- e) for quantifying provisions for risks and charges, the amount of disbursements necessary to satisfy the obligations is estimated, where possible, taking into account the effective probability of having to make use of resources;
- f) for calculating the items related to deferred taxation, the probability that taxes will effectively be incurred in the future (temporary taxable differences) and the degree of reasonable certainty - if any - of future taxable profits at the time the taxes can be deducted is estimated (temporary deductible differences and accumulated tax losses);
- g) for the determination of the fair value of the properties, carried out through the preparation of specific appraisals by a qualified and independent company, certain unobservable input data are estimated, such as, for example, the lease fee, the sales price, the discount rate, the capitalization rate of income, etc.

For points a), b) and f), please refer to the subsequent paragraphs: “Methods for calculating impairment on IFRS 9 financial instruments”, “Methods for calculating impairment on equity investments”, “Methods for calculating impairment on other non-financial assets” and “Methods for recognising deferred tax assets (probability test)”; for point g) refer to the paragraph “Determination of the fair value of property” and finally for point c) to the contents of paragraph A.4.5 “Fair Value Hierarchy” of these Notes to the financial statements. The actual technical and conceptual solutions used by the Bank are analysed in more detail in the individual sections of the notes to the balance sheet and income statement, where the distinct contents of each item in the financial statements are described. With regard to the cases referred to in points d) and e), please refer to Section 12 under liabilities in the Notes to the financial statements “Defined benefit company pension funds” and Part E of the Notes to the financial statements, Section 1.5 “Operational risks”.

Methods for determining impairment losses on IFRS 9 financial instruments

Pursuant to IFRS 9, at each reporting date, financial assets other than those measured at fair value through profit or loss are subject to an impairment test, aimed at estimating the expected credit loss (ECL). A similar analysis is also carried out for commitments to disburse funds and for guarantees issued that fall within the scope to be subject to impairment under IFRS 9.

In particular, the ECL model provides the aforementioned financial assets must be classified in three distinct “stages”, according to their credit quality in absolute terms or relative to that at initial disbursement, to which different measurement criteria for expected losses are applied. In detail:

- stage 1: includes performing exposures that have not undergone a significant change in credit risk with respect to the initial recognition. The value adjustments correspond to the expected losses related to the verification of default in the 12 months following the reporting date;
- stage 2: includes performing exposures whose creditworthiness has been affected by a significant change in credit risk, but for which the losses are not yet observable. Adjustments are calculated considering the expected loss over the remaining life of the instrument (lifetime);
- stage 3: includes all non-performing exposures that present objective evidence of deterioration and which must be adjusted by using the lifetime expected loss concept.¹⁴⁶

Financial assets considered as impaired since their acquisition or origin (POCI - purchased or originated credit impaired), are an exception to the above, whose accounting treatment was discussed in the paragraph above dedicated to this topic.

¹⁴⁶The valuation is statistical for positions with a balance of under EUR 1.0 mln and analytical, carried out by management, for positions above said threshold.

The scope of exposures classified in stage 3 includes the corresponding non-performing exposures, in accordance with the provisions of the Bank of Italy rules, defined in Circular no. 272 of 30 July 2008, as updated, and referred to in Bank of Italy Circular no. 262 "Bank financial statements: compilation formats and rules", to the non-performing exposures aggregate pursuant to ITS EBA (EBA/ITS/2013/03/rev1 24/7/2014)¹⁴⁷.

In detail, the aforementioned circulars identify the following categories of non-performing assets:

- Bad loans: these represent the aggregate of on- and off-balance sheet exposures to a party in a status of insolvency (even if not judicially certified) or in essentially comparable situations, regardless of any loss forecasts made by the Bank;
- Unlikely to pay exposures: represent the on- and off-balance sheet exposures for which the borrower does not meet the conditions for classification under bad loans and for which it is considered unlikely that the borrower will be able to fully satisfy the credit obligations (in terms of principal and/or interest) without recourse to actions such as the enforcement of collateral. This assessment is carried out regardless of the existence of any overdue and unpaid amounts (or instalments). The classification among unlikely to pay exposures is not necessarily linked to the explicit presence of anomalies, such as a missed repayment, but rather is linked to the existence of elements that would indicate a situation of risk that the debtor may default (e.g., a crisis in the debtor's business sector);
- Past due and/or overdrawn exposures: on-balance sheet exposures, other than those classified as bad loans or unlikely to pay exposures, which, at the reporting date, are past due and/or overdrawn for more than 90 days, according to the significance threshold envisaged in the aforementioned legislation. For the Bank, non-performing past due and/or overdrawn exposures are determined in reference to the position of an individual debtor.

The Bank adopts a "debtor-by-debtor" approach to identifying non-performing exposures. In this sense, the other party to the loan is assessed overall and subsequently classified, rather than assessing the individual loans granted to that party.

In addition, the Bank of Italy regulations, in line with EBA standards, have introduced the definition of "forborne exposures". This concerns, in particular, exposures benefiting from tolerance measures, which consist of concessions granted to the debtor, in terms of modification and/or refinancing of a pre-existing loan, exclusively because of, or to prevent, a state of financial difficulty that could have negative effects on the debtor's ability to fulfil the contractual commitments originally assumed, and that would not have been granted to another debtor with a similar risk profile not in financial difficulty. These concessions must be identified at the level of the individual credit line and may relate to exposures of debtors classified either in the performing or the non-performing (impaired) status. For exposures with forbearance measures classified as unlikely to pay exposures, the recovery to a position of performing can only take place after at least one year has elapsed from the time the concession was granted (known as the "cure period") and all the other conditions provided for in paragraph 157 of the EBA ITS are satisfied.

In any case, renegotiated exposures should not be considered forborne when the debtor is not in a situation of financial difficulty (renegotiations carried out for commercial reasons).

Impairment of performing financial assets

For performing financial assets, i.e., those assets not considered to be impaired, it must be determined, at the individual relationship level, if there is a significant deterioration of credit risk, by comparing the credit risk associated with the financial instrument at the time of measurement and that at the initial moment of disbursement or acquisition. This comparison is made using both quantitative and qualitative criteria. The results of this assessment, in terms of classification (or, more appropriately, staging) and measurement, are the following:

- when these indicators are present, the financial asset is included in stage 2. In this case, the assessment requires that impairment is recognised equal to the expected losses over the entire residual life of the financial instrument, consistent with the provisions of international accounting standards and even if a loss in value has not yet occurred. These adjustments are reviewed at each subsequent reporting date both to periodically check that the continuously updated loss estimates are consistent, as well as to take into account - in the event that indicators of a "significantly increased credit risk" no longer exist - of the change in forecast horizon for calculation of expected loss;
- where these indicators are not present, the financial asset is included in stage 1. In this case, the assessment requires that expected losses are recognised on the specific financial instrument over the next twelve months,

¹⁴⁷ The regulatory framework of the New Definition of Default was supplemented with the application, starting from 1 January 2021, of the "Guidelines on the application of the definition of default as per Article 178 of EU Regulation no. 575/2013" (EBA/GL/2016/07).

consistent with the provisions of international accounting standards and even if a loss in value has not yet occurred. These adjustments are reviewed at each subsequent reporting date both to periodically check that the continuously updated loss estimates are consistent, as well as to take into account - if indicators of a "significantly increased credit risk" are detected - the change in forecast horizon for calculation of expected loss.

As regards the measurement of financial assets and, in particular, the identification of a "significant increase" in credit risk (a necessary and sufficient condition for classification of the asset being assessed in stage 2), the elements that constitute the main determinants to be taken into consideration, according to the standard and its operating procedure implemented by MPS Group, are the following:

- relative quantitative criterion as "main" driver, based on the change (beyond established thresholds) in the lifetime probability of default compared to when the financial instrument was initially recognised in the financial statements;
- absolute qualitative criteria, represented by the identification of trigger event or exceeding absolute thresholds as part of the credit monitoring process, and backstop indicators, i.e., credit "delinquency" factors, the occurrence of which suggests that there has been a significant increase in Credit risk, unless there is evidence to the contrary. The category comprises:
 - o all exposures affected by forbearance measures and for which these measures are still active, regardless of whether the probation period underway is regular;
 - o exposures of counterparties classified in the Proactive Management portfolio characterised by high risk elements¹⁴⁸;
 - o exposures past due by more than 30 days.
 - o exposures to *retail* counterparties and businesses with a turnover of less than EUR 50 mln and classified by the internal *early warning system* (EWS) in risk class A8¹⁴⁹.

With particular reference to the relative quantitative criterion applicable to credit exposures with customers, the Bank has determined as a reference the change, within internal thresholds differentiated by segment, product, initial rating class, vintage and geographical area, between the lifetime forward-looking cumulative probability of default (PD), calculated at the beginning of the contractual relationship, and the probability of default recorded at the measurement date. If these thresholds are exceeded, it signifies a significant increase in credit risk and the resulting transfer of the individual credit line from stage 1 to stage 2. The comparison is based on the homogeneous residual durations and on homogeneous PD models, for example, if the definition of default changes over time, the original lifetime forward-looking cumulative PD is recalculated to take account of said new definition of default. Cumulative PDs subject to comparison are based on the same model used for ECL purposes (e.g. definition of PIT (Point in Time) PD, macroeconomic scenarios, expected life/contractual life). In order to obtain a unique classification result, a cumulative PD resulting from the weighted average of the cumulative PDs calculated for the individual forward-looking scenarios using the probabilities of the scenarios as weights is used. The threshold of significance is determined by historically measuring, through quantile regression analysis per cluster, that level of ratio, between the lifetime forward-looking cumulative PD at the reporting date and that at the origination date, which may be considered predictive of the classification as NPE¹⁵⁰. The threshold is determined so as to minimise false positives and false negatives and maximise true positives and true negatives. In cases where it is difficult to identify risk factors or indicators at the level of individual borrowers, the significant increase in credit risk may be assessed by means of a collective approach that allows the components of the loan portfolio that are most likely to be affected by a crisis to be highlighted without, however, identifying them on an individual basis.

Finally, starting from the 2025 financial year, the Group made use of the low credit risk exemption, in addition to debt securities with an investment-grade rating, also for corporate and large corporate counterparties that at the reporting date have a rating equal to or higher than BBB- (Investment Grade) and are free from the trigger qualitative factors reported above. This exemption consists of the practical expedient of not conducting the test for significant deterioration of credit risk, in the presence of exposures whose credit risk is considered low.

For debt securities that do not have rating equal to or above investment-grade ratings, the relative quantitative criterion is based on the variation in lifetime forward-looking cumulative PD between the reporting date and the origination date

¹⁴⁸ The macro factors determining the assignment of the high-risk tag within the "Proactive Management" management portfolio are the activation of a default detection parameter of the early warning system classified either as binding or non-binding with high relevance, or two non-binding parameters with low relevance that were activated three months apart

¹⁴⁹ A8 is the highest EWS risk class for a stage 1 exposure.

¹⁵⁰ The transfer to NPE is measured over a one-year time horizon.

above compared with a certain threshold. For corporate issuers, the multi-year PD curve is that relating to vintage equal to 1 of the Corporate segment, estimated entirely by the Group; for government issues, the multi-year PD curve is the one prepared on the basis of the Moody's, Standard & Poor's and Fitch migration matrices of 1-year for government bonds; Standard & Poor's migration matrices corresponding to the Euro area were used to estimate multi-year PDs of credit exposures to banks and to non-banking and financial institutions (NBFIs). Moody's multi-year PD matrix is used for securities issued against both own and third-party securitisations. Cumulative PDs subject to comparison are based on the same model used for ECL purposes and macroeconomic scenarios. In order to obtain a unique classification result, a cumulative PD resulting from the weighted average of the cumulative PDs calculated for the individual forward-looking scenarios using the probabilities of the scenarios as weights is used. The exposures are classified into stage 2 if the ratio between the lifetime forward-looking cumulative PD at the reporting date and that of the origination date exceeds a given threshold of significance equal, both for corporate bonds and government bonds, to that used for corporate exposures in the form of loans.

Debt securities that, at the reporting date, have an investment-grade rating, mainly attributable to government securities, are classified in stage 1 as, for this case, the MPS Group made use of the "Low Credit Risk Exemption" described above. This exemption applies to securities that, at the valuation date, have a rating level equal to investment grade, in full compliance with the provisions of IFRS 9. For debt securities, as well, a qualitative criterion was introduced to identify the existence of a "significant increase" in credit risk, which determines the stage 2 allocation of tranches belonging to counterparties in the high-risk management portfolio. In addition, given the presence of several purchase transactions on one fungible asset (ISIN), it was necessary to identify a methodology to identify the tranches sold in order to determine the residual quantities to which credit quality at initial recognition date can be associated, in order to compare it with credit quality at the measurement date. In this context, the "first-in-first-out" or "FIFO" methodology was deemed most appropriate, as it enables more transparent portfolio management, including from the operational perspective (front office), allowing, at the same time, a continuous updating of the creditworthiness assessment based on new purchases.

In general, the transfer criterion between stages is symmetrical. Specifically, an improvement in credit risk which involves the elimination of the conditions that led to the significant increase in said credit risk involves the reallocation of the financial instrument from stage 2 to stage 1. In this case, the entity recalculates the value adjustment on a twelve-month time horizon rather the previously recognised lifetime losses, by booking a write-back to the income statement. In order to reduce the frequency of transfers between stage, the Group adopts a stabilisation rule that requires a probation period both on entry and on exit.

Once the assignment of exposures into the various credit risk stages has been defined, the expected losses (ECL) are calculated, at the level of individual transaction or security tranche, starting from IRB/management modelling, based on the parameters of Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD), to which specific adjustments are made, in order to ensure compliance with the specific requirements of IFRS 9.

The PD, LGD, and EAD are defined as follows:

- PD (Probability of Default): likelihood of transferring from a performing status to that of non-performing over a one-year time horizon. In models consistent with supervisory provisions, the PD factor is typically quantified through the rating. In MPS Group, PD values derive from internal rating models where available, supplemented by external valuations or average data for segment/portfolio;
- LGD (*Loss Given Default*): percentage of loss in the event of default. In models consistent with supervisory provisions, this factor is quantified using historical data on actual recoveries of loans that transferred to non-performing status;
- EAD (Exposure At Default) or credit equivalent: amount of exposure at the time of default.

As previously pointed out, in order to comply with the provisions of IFRS 9, specific adjustments must be made to the aforementioned factors, including:

- adoption of a Point in Time (PIT) PD against the Through the Cycle (TTC) PD used for regulatory purposes;
- elimination of certain additional components from LGD, such as indirect costs (non-recurring costs), further conservative margins specifically introduced for statutory models, the component linked to the economic downturn; as well as to reflect the most current recovery rates (PIT), forward-looking expectations about future trends and the inclusion of any recovery fees if collection is assigned to a third party;
- use of multi-year PDs and, where necessary, LGDs in order to determine the expected loss for the entire residual life of the financial instrument (stages 2 and 3);
- use of the effective interest rate of the individual transaction in the process of discounting expected future cash flows, as opposed to that which is set forth in regulatory models, in which individual cash flows are discounted using discount rates determined in accordance with prudential regulations.

In relation to the multi-year EAD, the MPS Group (in line with IFRS 9 provisions), takes as reference the contractual maturity plans to determine when cash flows will be due, whereas for demand exposures it uses a behavioural model to estimate the repayment profile – as also used for liquidity risk and ALM assessments – broken down by type of customer, regardless of the measurement methods (amortised cost or fair value through other comprehensive income). For commitments to disburse funds and guarantees given (off-balance sheet exposures), EAD is instead taken at nominal value weighted by a specific credit conversion factor (CCF).

IFRS 9 establishes that, at each reporting date, an entity must measure the impairment of an asset based on the expected credit loss, based on available, reasonable and consistent information, without incurring excessive costs or making disproportionate efforts. Therefore, the forward-looking approach envisaged by IFRS 9 for purposes of determining the expected loss represents a key aspect of the measurement model.

Given the above, the MPS Group uses the forward-looking approach to estimate the expected loss, both in the analytical and collective measurements. The forward-looking approach is applied to the following statistical parameters:

- PD: Probability of Default, used for performing positions;
- LGD/EAD: Loss Given Default (LGD), used for both performing and non-performing positions measured statistically; Credit Conversion Factor (CCF) used to estimate the EAD of performing positions;
- Cure/Danger rate: used for unlikely to pay exposures other than positions statistically valued as lower than a given threshold;
- haircut for real estate collateral, used when applicable for the analytical measurement of bad loans and unlikely to pay exposures other than restructured loans.

Since the expected loss is estimated as the weighted average of a range of possible results, these parameters are first found based on historical data and then adjusted to take into account at least 3 economic scenarios that cover a horizon of at least 3 years in the future: baseline, best and worst.

The forward looking forecasts of the macroeconomic indicators, provided by a leading external consultant and internally re-formulated by the Studies and Research Function, are quantified based on three possible future scenarios, which consider the economic variables deemed relevant (Italian GDP, interest rates, unemployment rate, commercial and residential property prices, inflation, equity indices), with a future time horizon of three years to which the respective probabilities of occurrence are assigned, determined internally by the Group. The macroeconomic scenario is updated at least once a year, at the time of preparation of the separate financial statements and every time the latest base scenario shows, compared with the one already in use, a net cumulated difference of the GDP, over a 3 year period, greater than or equal to 0.5%, in absolute value. In greater detail, for the impairment of loans, in addition to the “baseline” scenario, i.e., the forecast macroeconomic scenario on the basis of which the Bank develops its projections of economic/equity and risk data over a short- and medium-term time frame, two symmetrical scenarios are assumed: an alternative severe scenario (severe but plausible) and an alternative improved scenario (best), which differ in their level of favour/adversity to economic development and growth. For more details on the macroeconomic scenarios incorporated in the calculation of expected losses of *performing* exposures, please refer to the following paragraph “Macroeconomic scenarios of the Group for the valuation of loans in the 2025 financial statements”.

The sensitivity of the statistical parameters to macroeconomic variables is estimated. In particular, the associations between the statistical parameter and macroeconomic variables are shown below:

- PD: Italian GDP, unemployment rate, interest rates, inflation, commercial and residential property prices and stock indices;
- LGD/EAD: Italian GDP, unemployment rate, commercial property prices, construction investment;
- cure/danger rates: Italian GDP and Residential property prices;
- haircut: commercial and residential property prices.

For those statistical parameters (e.g., PD) for which there is no linear relationship with the macroeconomic variable, the parameter measurement is not calculated based on the weighted average of the macroeconomic variables and using the respective probabilities as weights, but based on certain distinct measures of the parameter. In these cases, the weighted average occurs at the expected loss level.

For the estimate of expected losses over the life of the instrument, the reference period is represented by the contractual expiry date; for instruments that do not expire, the estimate of expected losses uses a time horizon estimated through a behavioural model for on-demand products and set to one year from the reporting date, in other cases.

Finally, with reference to the methodologies for estimating impairment of performing financial assets, in certain circumstances the need may arise to make temporary adjustments (management overlays), on a precautionary basis, to the results of the models adopted. That need may arise, for instance, as a result of unexpected external events that are unexpected outside the bank's control which have potential far-reaching consequences on the measurement of portfolio

ECLs as a result of elements that are not adequately captured by the IFRS 9 models used. It must be noted that the IFRS 9 estimation methodologies are founded on experience-based assumptions, and are strongly anchored to historical observations, which are considered over a congruous time horizon and in a sufficiently stable backdrop. Therefore, in order to fully understand the effects of particular conditions of volatility or of possible significant economic deviations from the expected macroeconomic scenarios, including in relation to emerging risks, a specific reference framework of action was identified - duly approved by the competent management bodies - to factor in further elements to the ECL calculation that are not yet and/or are insufficiently covered by the models in use.

For further details on the model for determining expected losses on performing exposures, with particular reference to the stage assignment criteria, the method for calculating the risk parameters, the macroeconomic forecast scenarios and related probabilities of occurrence, and management overlays, please refer to the paragraph "Methods for the measurement of expected losses" contained in "Part E – Information on risks and related hedging policies" of the Consolidated explanatory notes.

Impairment of non-performing financial assets

As described earlier in the document, for non-performing financial assets, which are assigned a probability of default of 100%, the impairment amount for each loan is equal to the difference between the loan book value at the time of measurement (amortised cost) and the present value of estimated future cash flows, calculated by applying the original effective interest rate (or a proxy if not available). Cash flows are estimated based on expected recovery expectations over the lifetime of the loan, taking into account the presumed realisable value net of any collateral and any costs connected with obtaining the guarantee through sale. In this regard, in the event that the Bank uses a third party to collect non-performing loans, the fees paid to the outsourcer for activities strictly related to collection are considered for the purpose of estimating impairment losses. These costs are considered for both non-performing and performing exposures, if for the latter it is probable that in the event of a transfer to bad loans, the collection activities will be assigned to third parties. Commissions paid to outsourcers are considered in LGD estimates used for statistical measurements of all administrative stages, in collection plans for bad loans, and in analytical measurements of unlikely to pay exposures.

For purposes of estimating future cash flows and the relative collection times, the loans in question of a significant amount are subject to an analytical assessment process. For some similar categories of non-performing loans whose unit amount is insignificant, the measurement processes allow that loss forecasts are based on lump-sum/statistical calculation methods, to be analytically assigned to each individual position. The perimeter of exposures subject to a lump-sum/statistical measurement process, that is, based on statistical analyses of operational LGD, differentiated according to the segment and length of time in the risk state ("vintage") and suitably integrated to take into account forward-looking information, is represented by:

- bad loans and unlikely to pay exposures with exposures less than or equal to an established significance threshold of EUR 1 mln;
- total non-performing past due exposures regardless of the exposure's significance threshold. In particular, these are loans that show continuous overdrawn situations or delayed payments, automatically identified by the Bank's IT procedures, according to the aforementioned rules of the Supervisory Authority.

The statistical valuation, carried out for bad loans and unlikely to pay exposures of less than EUR 1 mln and for all past-due and/or overdrawn loans, presents specific characteristics depending on the type of exposure involved.

With reference to bad loans, the statistical valuation is based on non-performing LGD grids, where the LGD model is mainly characterised by the differentiation of the loss rates, based on the permanence in the risk status ("vintage"), as well as the type of customer. The LGD grids are also differentiated by other significant analytical characteristics on the model estimation stage (e.g. technical form, type of guarantee, geographical area, exposure band, etc.). The recovery time grids, on the other hand, are broken down mainly by regulatory segment and by other significant analysis axes in the modelling (e.g. recovery procedures, exposure band, technical form).

With reference to unlikely-to-pay and non-performing past due loans, the valuation is carried out by applying statistical LGD grids specifically estimated for positions classified in these administrative categories, in line with the LGD grids estimated for bad loans. The LGD for unlikely-to-pay and non-performing past due loans is obtained by recalibrating the non-performing loan LGD through the danger rate module. The danger rate is a multiplicative correction factor aimed at recalibrating the bad loan LGD with the information available on other default events, so as to obtain an LGD representative of all possible default events and their evolution.

With regard to the treatment of mass sales, the Bank distinguishes between ordinary and extraordinary transactions, where the extraordinary nature of the transfers is connected to the presence of important strategic elements and significant dimensions, and is evidenced by specific decisions of the ECB. Therefore, ordinary transfers are always included in the determination of the accounting LGD as the transfer represents an alternative collection method to a direct collection from the debtor; by contrast, extraordinary transactions are in no way considered representative of the transactions that the Bank will carry out in the future, having now reached a physiological NPE ratio level and are therefore excluded from the estimation of the accounting LGD.

The analytical-specific valuation for bad loans and unlikely to pay exposures exceeding EUR 1 mln is an assessment made by the managers on the individual positions based on a qualitative-quantitative analysis of the economic and financial situation of the main debtor and the guarantors in order to identify and quantify the sources and recovery times consistent with the most likely scenario of evolution of the credit relationship, i.e. the restoration of the counterparty to performing status or, alternatively, the progressive decommitment also through the use of scheduled transfers in line with the NPE Strategy.

In particular, for bad loans, a set of factors are taken into account, which may or may not be present depending on the characteristics of the positions, and which must be assessed with the utmost accuracy and prudence, including by way of example:

- nature of the credit, preferential or unsecured;
- shareholders' equity of obligors/third parties providing collateral;
- complexity of existing or potential disputes and/or underlying legal issues;
- exposure of obligors to the banking system and other creditors;
- latest available financial statements;
- legal status of obligors and pending bankruptcy and/or individual proceedings.

To find the estimated realizable value of loans secured by real estate and to take into account both the historical collection data, differentiated between commercial and residential properties, and forward-looking considerations, in line with IFRS 9, the approach adopted is focused on the valuation of real estate in reference to the average expected auction and the corresponding reduction in the observed price, calculating the average haircuts differentiated by type of real estate guarantee (residential and non-residential).

With reference to bad property loans deriving from lease contracts, in light of the peculiarities of the product (absence of auctions), the haircut is estimated as the depreciation of the asset observed between the last available appraisal value and the expected sale price, determined on the basis of the evidence emerging from the recovery process.

The assessment of unlikely to pay exposures is based on a qualitative-quantitative analysis of the economic, equity and financial situation of the debtor and on a timely verification of the risk situation.

The impairment loss is calculated including the measurement of future cash flows that it is assumed the debtor is able to produce and which will also be used to service the financial debt. This estimate must be made on the basis of two alternative approaches:

- business continuity scenario (so-called "Going Concern Approach"): the borrower's operating cash flows (or that of effective guarantor) continue to be produced, and are used to repay the financial debts contracted, based on the scheduled repayment plans. The going concern assumption does not exclude the possible realisation of collateral, but only to the extent that this can occur without jeopardising the debtor's ability to generate future cash flows. The going concern approach also applies to cases in which the recoverability of the exposure is based on the possible sale of assets by the debtor or extraordinary transactions;
- scenario of cessation of activity (so-called "Gone Concern Approach"): applicable in cases in which it is believed that the debtor's cash flows will be significantly reduced or even in cases of reduced reliability of the corporate Business Plans. In this context, assuming that interventions by shareholders and/or extraordinary restructuring operations of the debt in a turnaround situation are not reasonable, loan collection is essentially based on the value of the collateral that supports the loan as well as, in the alternative, on the realisation value of the assets, taking into account liabilities and any rights of pre-emption.

In the case of unlikely to pay exposures secured by real estate and valued on the basis of the gone-concern scenario approach, the haircut is applied not to the entire market value of the guarantee (as in the case of bad loans) but only to the portion pertaining to the credit exposure that is expected to become bad loan; alternatively, the cure rate of the related exposures is taken into account.

The appraisals that can be used for the valuations are carried out by independent experts enrolled in Registers and/or Professional Associations and are subject to an annual update process.

By analysing the analysis of alternative collection scenarios, the Bank notes that, for the objectives of reducing the stock of outstanding non-performing loans included in the business plans and the commitments undertaken with Supervisory Authorities, with specific reference to the “NPL Strategy”, the Bank considers the sale of portfolios as the strategy that can, under certain conditions, maximise the recovery of cash flows, also in consideration of collection times.

Consequently, the estimate of expected losses of exposures that can be sold varies depending on the forecast of the recoverable flows through internal management (work-out), as well as the forecast of recoverable flows through their possible sale on the market. If the Bank’s business plans and strategies identify specific disposal targets and, therefore, a portfolio of non-performing loans held for sale, the loans included in that portfolio are valued, until the disposal targets are reached, by taking into account both the value recoverable through operational management and market valuations (based on external appraisals) and/or sale prices, if already defined.

In particular, if a broad portfolio of loans held for sale is identified that comprises Bank-owned loans that can be sold to meet the sale targets, the book value of that portfolio is measured by weighting the value recoverable through operations against the value recoverable through sale.

Based on these considerations, the accounting model for impairment for the Bank’s non-performing loans only envisages a different application for:

- loans subject to ordinary collection process: application of the relevant accounting policies previously illustrated;
- loans included in the sale programme: measured with the ordinary policy plus any add-ons to adjust the portfolios to the presumable realisable value.

To determine the add-on, the Bank considers the following elements:

- selection of the portfolios that are presumed to be sold: the perimeter includes positions with a certain attractiveness on the market that can also be inferred as a result of expressions of interest already received, as well as additional positions resulting from assessments of economic benefit performed by the Parent Company’s competent bodies;
- probability of sale: the probability is guided by the target sales level included in the NPL Strategy;
- sale prices: derived from mass transactions on similar portfolios and single names made by the Bank or from transactions carried out on the market in recent years.

The aforementioned add-on is not applied in the case of sales with a price constraint defined to an extent not lower than the net book value determined based solely on the ordinary collection process.

The method described above does not apply to receivables which, at the time of preparing these financial statements, have already been analytically identified as held for sale and which meet the conditions set forth in IFRS 5 for classification in the portfolio of assets held for sale. These receivables are measured according to the sale scenario only, to which a 100% probability is assigned, taking as reference the sale prices or, in any case, the information contained in contracts with counterparties (binding offers).

Within the range of possible approaches to estimation models permitted by the relevant international accounting standards, the use of a methodology or the selection of certain estimation parameters may significantly affect the valuation of receivables. These methodologies and parameters are necessarily subject to a continuous updating process, also in view of the historical evidence available, with the goal of refining the estimates to better represent the presumed realisable value of the credit exposure.

For updates introduced in the measurement of expected losses, please refer to the specific paragraph contained in the “Credit risk” section of “Part E - Information on risks and related hedging policies” of the Consolidated Notes.

In light of the above, it cannot be excluded that alternative monitoring criteria or different methodologies, parameters, or assumptions in determining the recoverable value of the Bank’s credit exposures – also affected by possible alternative recovery strategies approved by the competent corporate bodies as well as the evolution of the relevant economic-financial and regulatory context – may result in different valuations compared to those carried out for the purposes of preparing the individual financial statements as at 31 December 2025.

Incorporation of climatic and environmental risks in the determination of expected losses

One of the most complex aspects to assess, for the purposes of estimating the expected losses of credit exposures, is the actual relevance of climatic and environmental risks, given the uncertainty that inevitably characterises forecasts of events that, by nature, are likely to occur over a long-term time period.

The models currently used by the Group to calculate expected losses (ECL) do not directly incorporate the risks arising from the exposure of debtor counterparties to climate and environmental factors; however, during 2025 the Group has continued to refine the PD, LGD and EAD models currently in use in order to be able to discriminate within them also the typical variables of climate and environmental risks.

Pending the adoption of Model Change 2024, the application request for which was approved by the ECB with a draft decision in 2025, the Group factored climate and environmental risks into the ECL calculation models for the 2025 financial year, estimating the impacts that the different transition scenarios may have on the accounting models currently in use, given that these scenarios are characterised by transition policies and implementation timeframes that may significantly affect various macroeconomic indicators. The estimate of the aforementioned risks was carried out through management adjustments with respect to the evidence from the “core” model (so-called “management overlay”), resulting in an increase in expected losses of EUR 16.8 mln (EUR 23.2 mln as at 31 December 2024).

Therefore, it cannot be ruled out that the possible development of models capable of more fully factoring climate and environmental risks may result in different assessments with respect to those conducted for the purposes of preparing these Consolidated Financial Statements.

For an illustration of how the Bank is working to assess environmental factors in the context of lending policies, please refer to “Part E - Information on risks and hedging policies” of these Notes to the financial statements.

Methods for calculating impairment on equity investments

At the end of every reporting period, the controlling interests, interests in associates or jointly controlled entities are evaluated to check whether there is objective evidence of impairment that might render the book value of these assets not entirely recoverable.

The process of recognising impairment involves verifying the presence of indicators of possible reductions in value and calculating any write-down.

The Bank alternatively uses a set of indicators based on several factors, referring to the investee, including the type of business, market listing and budget objectives. The presence of impairment indicators entails the recognition of a write-down in the amount for which the recoverable value is lower than the book value. The recoverable value is the greater of the fair value less costs to sell and the value in use. For the methods used to determine the fair value, refer to the information in chapter A.4 - Information on fair value in the Notes to the Financial Statements. The value in use is the present value of cash flows arising from the asset; it reflects the estimate of the cash flows expected from the asset, the estimate of possible changes in the amount and/or timing of cash flows, the time value of money, the price for remunerating the asset's risk and other factors that can influence the pricing, by market dealers, of the cash flows expected from the asset. In determining the value in use, the discount method applied to future cash flow is used through discount rates reflecting the cost of capital of the investee¹⁵¹.

With reference to controlling interests, the impairment test is performed individually for each investee when this has independent cash flow generation capacity. Where the Group's organisational model provides that the investee's assets are included in a Cash Generation Unit

(CGU) of larger size or with a different structure, in the separate financial statements the impairment test is not performed for each individual controlling interest, but on the single CGU identified at consolidated level, as only this procedure makes it possible to determine the CGU's recoverable value.

The impairment test carried out for the 2025 financial year did not entail the need to make Adjustments in value. For information on the book value of the main equity investments, please refer to the section entitled “Equity investments – Item 70” contained in “Part B - Information on the balance sheet” of these Notes to the financial statements.

Methods for calculating impairment on other non-financial assets

The property, plant and equipment and intangible assets with definite useful life are tested for impairment in the presence of any indication that the book value of the asset may not be recovered. The recoverable value is computed with reference to the fair value of the property, plant and equipment or intangible asset, net of the disposal charges or the value in use if this can be calculated and exceeds fair value.

In particular, with regard to the *software*, with reference to closed projects with an amount exceeding one million euro, the Bank carried out the verification of the recoverable value using assumptions and estimates in line with those of the

¹⁵¹ A growth rate applied to available data is used to determine future cash flows that are not made explicit in the companies' plans.

2024 Financial Statements. The impairment test conducted as at 31 December 2025 was based on the monitoring of specific key performance indicator (KPI), identified when the projects were closed, in order to verify the economic benefits assumed in the reference business case. The outcome of the monitoring showed values of these KPIs exceeding the reference thresholds set in the business cases for all projects. For projects with a value below the aforementioned threshold, without specific KPIs, the impairment test of the related software was conducted consistently with previous financial years and led to the recognition of an impairment loss of EUR 2.5 mln.

The values of right of use assets acquired through leasing are subject to impairment testing, if the conditions are met. The test is performed when the following events or situations occur: full/partial abandonment, underuse or non-use of the leased asset. In addition, it is necessary to refer to indicators from internal sources such as signs of obsolescence and/or physical deterioration of the asset, restructuring plans and closures of branches and external sources such as, for example, the increase in interest rates or other rates of return on the market for investments that may cause a significant decrease in the recoverable value of the asset. The outcome of the aforementioned checks as at 31 December 2025 led to the recognition of an impairment loss of EUR 1.0 mln in the item "Adjustments/Reversals of value on property, plant and equipment".

For information on the rights of use acquired through leasing, please refer to the section "Property, plant and equipment - Item 80" contained in "Part B - Information on the balance sheet" of these Notes to the Financial Statements.

Determination of the fair value of property

Real estate used in the business (IAS 16) and real estate held for investment purposes (IAS 40) are valued in accordance with the revaluation criterion and the fair value criterion, respectively. For this perimeter, the fair value update is determined in accordance with IFRS 13 through the use of specific appraisals prepared by qualified and independent experts, which, depending on the relevance of the individual real estate unit, are conducted in two different alternative ways:

- so-called "full" appraisals: based on a physical inspection of the property assets by the appraiser; or
- "desktop" appraisals, based on an assessment performed with no physical inspection of the property asset and, therefore, based on reference market values.

The valuation methodologies applied by the appraiser in the valuation are in line with international IVS (International Valuation Standards) practice, with what is prescribed in the latest edition¹⁵² of the Red Book of the Royal Institute of Chartered Surveyors (RICS) of the United Kingdom, and are adhered to as required by IFRS 13. The accounting standard requires, in particular, for non-financial assets that the current use by the owner meets the requirement of highest and best use, unless the market expects a different use for the property that would therefore optimise its value. The valuation approach was therefore specified by the expert appraiser based on the current intended use of the properties, assuming this represents the highest and best use, and considering, in a few cases, alternative uses of the properties where this corresponds to market expectations. Therefore, to find the value of each property, the appraiser identifies the most suitable methodology according to the characteristics of the asset and the conditions of the reference market. The methodologies applied by the appraiser are as follows: Discounted cash flow (DCF) method; Market comparison approach (MCA); Transformation method with DCF analysis. In this context, the lease payments, sale prices, discount rates and capitalisation rates were estimated.

With reference to the ESG issue, in which the environmental issue is included, the RICS valuation standards specify the actions to be followed by the appraiser with regard to on-site inspections and the collection of data useful for assessing this aspect. The range of issues to be addressed includes, among others, major physical hazards (floods, heat, fire and storms) and transient hazards (energy efficiency, carbon emissions, climate impact). The impact of these risks is affected by current and historical use of the territory, as well as design, configuration, accessibility, legislation as well as management according to tax regulations.

As at 31 December 2025, the fair values of the entire real estate assets were updated, which is done at least semi-annually unless market situations and/or special conditions make it advisable to bring forward the valuation appraisals from the standard periodicity.

In light of the above, it cannot be ruled out that the use of different methodologies or estimation parameters, influenced by forecasts relating to the reference scenarios of the property market relevant to the Bank as well as by the strategies with which the Bank may manage its property assets, including through the disposal of portfolios, may lead to valuations

¹⁵² The updated version was published in December 2024 and entered into force on 31 January 2025.

different from those made for the 2025 financial statements, with consequent negative impacts on the Bank's balance sheet and income statement.

The results of the valuations carried out as at 31 December 2025 are illustrated in the section "Property, plant and equipment – item 90" contained in "Part B – Information on the consolidated balance sheet" of these Notes to the Consolidated Financial Statements, to which reference is made for further details. For an in-depth analysis of the valuation approach, valuation methods and the selection of estimation parameters that can significantly influence the calculation of fair value, reference should be made to the specific qualitative and quantitative disclosure in Part A.4 - "Information on fair value".

Methods for recognising deferred tax assets (probability test)

The Bank verifies the possibility of recognising tax assets based on a probability test, as described below.

Future taxable income, which is calculated for the purposes of recovering deferred tax assets, is determined as follows:

- c) for the three years following the reporting date, based on the expected evolution of the Bank's and Group's income statements; Group results were derived from the combination of the 2024–2028 and 2025–2028 Business Plans approved, respectively, by Banca MPS and Mediobanca,
- d) after the first three years and up to the twentieth year, by projecting forward the pre-tax profit of the Bank and of the Group, revalued at a growth rate (g) of 2% per annum, which allows for a Group average return on equity (ROE) that does not exceed the average ROE recorded in the banking sector over the last 20 years.

In order to reflect the uncertainty associated with realising the economic benefits assumed, a discount factor is used based on data observable on the market and consistent with the risk metrics of the investment in Banca MPS shares. This discount factor was equal to 9%^[1] at 31 December 2025, unchanged with respect to the one used for the financial statements as at 31 December 2024; in view of this uncertainty, it is believed that the time period considered for the purposes of the taxable income test, the realisation of which is considered likely, cannot exceed 20 years.

In any case, the framework of the probability test is consistent with that of the impairment test used for the measurement of goodwill, except for the specifics related to regulatory requirements (IAS 12 and IAS 36, respectively) such as, for example, the possibility in the probability test to take into account business restructuring and reorganisation actions included in the forecast plans, which is not considered in the goodwill impairment test. For more information reference should be made to paragraph "Impairment test on Group goodwill" included within Section 10 of the assets of these Notes to the Financial Statements.

In the development of the *probability test*, where applicable, account is taken of the national tax consolidation agreements for the Group companies participating in them and of the option exercised in the tax return regarding the possible allocation of residual tax losses in the event of early termination of group taxation.

For more information, see Section 10 "Tax assets and tax liabilities" contained in "Part B - Information on the Balance Sheet" of these Notes to the Financial Statements, which also provides information on the breakdown of deferred tax assets and the checks carried out on their recoverability, on the sensitivity analyses aimed at allowing an appreciation of the time frame of their recovery, depending on reasonable variations in the main underlying assumptions.

Impacts of the conflicts in Ukraine and the Middle East

The geopolitical tensions existing at the date of preparing these Financial Statements, in relation to both the Russia-Ukraine conflict and the conflict in the Middle East, add new economic challenges and uncertainties and thus increase the risk of unpredictability. Looking ahead, these uncertainties could lead to a revision of the estimates made for the items of the Financial Statements as new information becomes available, which is current unforeseeable. In accordance with the recommendations expressed by the supervisory authorities (ESMA and CONSOB)¹⁵³, which aim to ensure proper

^[1] Changes to the discount factor are considered when the average of the last 3 years of the rate calculated at the reference date deviates by at least ±1% from the last rate used.

¹⁵³ See, in particular, the documents "ESMA Public Statement: ESMA coordinates regulatory response to the war in Ukraine and its impact on EU financial markets – 14.03.2022", "ESMA: Public Statement – Implication of Russia's invasion of Ukraine on half-yearly financial reports – 13.05.2022" "ESMA: European common enforcement priorities for 2022 annual financial reports – 28.10.22", "CONSOB draws the attention of supervised issuers to the impact of the war in Ukraine based on insider information and financial reporting - 22 March 2022" and finally "Warning Notice No. 3/22 of 19 May 2022".

oversight of the valuation issues impacted by the conflicts in question and to guarantee full and transparent disclosure in the Financial Statements, evidence is given below of the Group's directly or indirectly impacted credit exposures.

Russia and Ukraine

The impacts directly related to the Russia-Ukraine conflict for the Group are marginal, taking into account that there are no operational activities located in these territories and that credit exposures to customers residing in the aforementioned countries or indirectly related to Russian or Ukrainian counterparties amounted, as at 31 December 2025, to a total of EUR 0.8 mln, entirely in stage 3.

With reference to other risks, exposures denominated in Russian currency are immaterial, and no negative change has been observed in the main liquidity indicators.

With reference to the indirect impacts on credit quality, it should be noted that during the 2025 financial year, in line with 2024, no interventions were required other than those already envisaged as part of ordinary credit monitoring activities.

Middle East

With regard to the Israel-Palestine crisis, the risks specifically relating to the countries directly involved in the conflict are also marginal. In detail, credit exposure to counterparties in Israel and the Palestinian territories amounted, as at 31 December 2025, to EUR 1.7 mln (EUR 3.3 mln as at 31 December 2024). As far as Market risk and counterparty risk are concerned, there is no material exposure to be reported at the end of 2025.

If the analysis is extended to neighbouring countries who could potentially become involved (Egypt, Lebanon, Iran and Qatar), the actual risk level is nevertheless low: Direct exposure to counterparties in the aforementioned countries, for drawdowns of authorised lines of credit, amounts to approximately EUR 6.7 mln, while indirect risks for issued guarantees amount to approximately EUR 11.6 mln.

Macroeconomic forecasts 2026, 2027, 2028

On 18 December 2025, the ECB published the regular update of the macroeconomic projections for the euro area prepared by its *staff* with the contribution of the individual national central banks, forecasting a substantial resilience of the economy in the euro area in the coming years despite significant geopolitical and economic uncertainties. Economic expansion will be supported mainly by domestic demand, driven by consumption – supported by higher real wages, employment and the easing of financing conditions – and by fiscal stimulus measures related to investment in defence and infrastructure; On the external demand front, a recovery in exports is expected due to a context of lower uncertainty regarding trade policies, despite the gradual emergence of the effects of higher tariffs.

In the baseline scenario, which assumes a context in which commodity prices and rate curves decline and the euro/dollar exchange rate remains constant, productivity growth is expected over the three-year period 2026-2028. Overall, average annual real GDP growth would stand at 1.4% in 2025 (1.2% in September), 1.2% in 2026 (1.0% in September), and 1.4% in both 2027 and 2028 (September 2027 forecast: 1.3%).

On the inflation front, overall inflation measured by the HICP is expected to decrease over the next two years from 2.1% in 2025 (2.5% in September) to an average of 1.9% in 2026 (2.2% in September) and 1.8% in 2027 (unchanged from September), before experiencing a slight temporary increase to an average of 2.0% in 2028 as a consequence of budgetary measures related to the ecological transition.

In the adverse scenario, which assumes a context in which commodity prices increase, real GDP growth in the euro area is estimated to be 0.1 percentage points lower over the three-year period compared with the baseline scenario. HICP inflation in the euro area would rise by 0.5 percentage points in 2026 and 2027 and by 0.3 percentage points in 2028.

The specific scenario for Italy, included in the base scenario of the ECB projections, was released by the Bank of Italy in the document "Macroeconomic projections for the Italian economy" published on 19 December last year and confirmed in the Economic Bulletin of 16 January 2026. The scenario envisages a slight strengthening of output from the fourth quarter of 2025, mainly thanks to the favourable trend in consumption and contained inflation. On an annual average, GDP would increase by 0.6% in 2025 and 2026, by 0.8% in 2027 and by 0.9% in 2028.

Consumer inflation is expected to average 1.7% this year and to fall to 1.4 in 2026. In 2027-28, the entry into force of the new system for trading allowances for pollutant and greenhouse gas emissions in the European Union (EU Emission Trading System 2, ETS2) would lead to higher prices for energy goods, temporarily pushing consumer inflation to an annual average of 1.6% and 1.9% in 2027 and 2028, respectively.

Macroeconomic scenarios of the Bank for the valuation of loans in the 2025 financial statements

In December 2025, the Bank approved a set of forecast macroeconomic scenarios for the period December 2025–December 2028 developed internally, also taking as reference the forecasts formulated by external *providers* in October 2025. These scenarios were used as part of the ordinary annual planning process and the calculation of Adjustments to the value of performing and non-performing loans as at 31 December 2025.

It should be noted that, in order to reflect the greater uncertainty of the recent period in its estimates, the Bank had made an initial update of the macroeconomic scenarios compared to those used as at 31 December 2024, starting from the interim report on operations as at 31 March 2025, in order to capture the greater uncertainty of the recent context.

The set of forecast macroeconomic scenarios used for these Consolidated Financial Statements is more conservative both compared to the scenarios adopted by the Bank starting from March 2025 – based on forecasts formulated by an external provider in January 2025 – and compared to the above-mentioned 2026–28 macroeconomic forecasts provided by the Bank of Italy.

The approved baseline scenario shows a higher level of conservatism compared to the forecasts published by the Bank of Italy in December 2025; in particular, for the years 2027 and 2028, GDP growth is expected to be 0.45% (0.8% Bank of Italy) and 0.52% (0.9% Bank of Italy), respectively. In addition to the baseline scenario, in light of the objective uncertainty present regarding the evolution of the economic context and the provisions of the Regulators, further alternative scenarios have been outlined, in detail an alternative more negative scenario (severe but plausible) and an alternative improved scenario (so-called best case scenario).

In line with the approach adopted starting from March 2025, for the ECL estimate the asymmetric treatment was applied, considering only the “Baseline” and “Severe but Plausible” scenarios – weighted at 66.6% and 33.3% respectively – instead of the three scenarios (“Best”, “Baseline” and “Severe but Plausible”) weighted at 21.05%, 52.63% and 26.32% respectively, which were used for the estimates as at 31 December 2025, in order to further align the three-year forecasts with the changed macroeconomic context. characterized not only by the continuation of the conflict in Ukraine but above all by the escalation in the Middle East – culminating in recent U.S. and Israeli actions against Iran – and by persistent trade tensions between the European Union and the United States, which have helped make the international trade environment more unstable and costly. The adoption of this approach resulted in additional adjustments totalling EUR 12.7 mln.

The more severe alternative scenario (severe but plausible) assumes a resurgence of geopolitical tensions, marked both by the continuation of the war in Ukraine and by uncertainties relating to US tariff policies. In this scenario, energy commodity prices increase due to tensions in supply chains, and global trade is penalised. Italy would be among the European countries most exposed to the negative effects of the tariff policy, with only marginal GDP growth in 2026-27, and with investment and exports more adversely affected than consumption.

The improved alternative (best) scenario, instead, assumes an easing of geopolitical tensions both in the Middle East and in Ukraine, with a stable truce in both countries and a relaxation of the international climate, with a less aggressive approach by the US administration. In this scenario, the average increase in prices in euro area countries would be contained, including the energy component, with inflation remaining within the target indicated by monetary policy. In this context, Italy would see stronger growth in domestic and external demand, with growth in Italian economic activity.

For information on the performance of macroeconomic variables in the scenarios described above, please refer to “Part E - Information on risks and hedging policies, section 1.1 Credit risk, paragraph 2.3 Methods for measuring expected losses” of the consolidated Notes to the Financial Statements.

The table below shows, by way of example, the scenario updates made in December 2025 on the GDP indicator, with a comparison with the baseline scenario published by the Bank of Italy in December 2024 and with the scenarios used in the first nine months of 2025.

	Dec 25			Bulletin Dec 25	Mar 25		
	MPS			Bankit	MPS		
	Baseline	Severe but plausible	Best	Baseline	Baseline	Severe but plausible	Best
2025	n.a	n.a	n.a	2025	n.a	n.a	n.a
2026	0.66%	0.07%	1.48%	2026	0.66%	0.07%	1.48%
2027	0.45%	0.08%	0.83%	2027	0.45%	0.08%	0.83%
2028	0.52%	0.16%	0.99%	2028	0.52%	0.16%	0.99%

The update of the macroeconomic scenarios led to the recognition of higher provisions for EUR 1.2 mln.

Finally, with reference to risk parameters, it should be noted that during 2025 the PD, LGD and EAD models, as well as the on-demand products model, used for IFRS 9 accounting measurements, were recalibrated to ensure model robustness and reflect the current conditions of the economic cycle. In addition, the recalibration of the LGD model made it possible to resolve the finding regarding the treatment of government guarantees identified by the Supervisory Authority following the “on-site” inspection activity concerning the risk of SME exposures, launched in November 2024 and concluded in February 2025.

The aforementioned updates led to higher provisions recognised in the 2025 financial year totalling EUR 16.5 mln.

For further details on the model updates, please refer to the information provided in the section Credit Risk – paragraph “2.2 Management, measurement and control systems” of Part E of the Notes to the consolidated financial statements.

Management overlays

With regard to management overlays, for the purposes of these separate Financial Statements as at 31 December 2025, the Bank decided to operate in substantial methodological continuity with the approach taken in previous financial years. It should be remembered that, as at 31 December 2024, “post-model adjustments” had been applied to the results of the ECL estimation methods, within the framework of flexibility allowed by IFRS 9 and in light of the greater prudence necessary in relation to emerging risks deriving from the current and forward-looking contexts. The overlays were necessary to integrate the results of the models in production, in order to better capture the uncertainties and risks inherent in the forecasts as well as the observed/predicted deviations from the long-term historical series.

It should be noted that, compared to what was done in the preparation as at 31 December 2024: (i) the adjustment applied to variable-rate retail mortgages classified in stage 2 was discontinued, as the default rates observed in 2025 on variable-rate mortgages showed no signs of significant deviation from the long-term historical series, and (ii) the asymmetric treatment of scenarios described above was introduced starting from the first quarter of 2025 in order to further align the three-year forecasts with the changed macroeconomic context.

The Group also confirmed for the 2025 financial year the inclusion of climate and environmental factors in credit risk estimates – in line with requests received from ESMA 2023 – by incorporating, into the adopted baseline macroeconomic model, the macroeconomic indicators observed under the “Sudden Wake-up call” climate scenario updated in November 2025 and considered more conservative than the “Net Zero 2050” climate scenario update already used for the overlay as at 31 December 2024. The new scenario envisages achieving the Net Zero 2050 target through a short but intense recession triggered by a sudden climate transition shock due to a trigger event (e.g., green elections or a natural disaster) that leads to stringent policies, causing a rapid shift of capital from fossil fuels to green assets, generating a sudden market collapse, a confidence crisis and financial turbulence, with negative impacts in terms of global GDP and higher energy prices. The application of these corrections to the baseline scenario led to higher provisions for a total of EUR 16.8 mln, down EUR 6.5 mln compared to the EUR 23.4 mln as at 31 December 2024.

The back-testing analyses carried out on the expected loss rate of individual models, by comparing LGD rates estimated on a historical basis with the actual loss rates observed on positions closed in the three-year period from December 2021 to December 2024, showed overall conservative provisioning, both statistical and analytical. However, the analysis showed for some clusters of the statistical LGD effective rates slightly higher than those estimated; the higher

Adjustments amounting to EUR 112.3 mln as at 31 December 2025 were recognised in the Income statement (EUR 20.3 mln as at 31 December 2024).

Finally, as part of the PPA activities arising from the acquisition of the Mediobanca Group, misalignments emerged in risk classification on common customers, mainly in the Retail segment, attributable to different credit policies adopted. These misalignments are mainly attributable to exposures classified as in default by the Mediobanca Group that present a total past-due/overdrawn exposure portion – i.e., including the portion held by the Group – below the absolute and relative default thresholds provided for by regulations. Pending the definition and implementation during 2026 of the new classification rules for the new MPS Group, these exposures were prudentially reclassified to stage 2, resulting in an increase in stage 2 of EUR 102.7 mln and corresponding higher provisions of EUR 0.9 mln.

For the remaining exposures, i.e., those with a total past-due/overdrawn exposure portion above the default thresholds, in December a specific analysis was carried out on the higher-amount exposures, resulting in the reclassification of exposures (i) to stage 2 totalling EUR 7.5 mln (equal to 38% of the sample) with higher provisions of EUR 0.1 mln and (ii) to stage 3 totalling EUR 5.7 mln (equal to 29% of the sample) with higher provisions of EUR 1.6 mln. The percentage reclassified to default observed in the sample (29%) was also projected onto the exposures above the threshold not subject to specific analysis, with further higher provisions of EUR 1.0 mln.

Overall, the management overlays adopted for accounting measurements as at 31 December 2025 led to additional loss provisions of approximately EUR 146.3 mln (approximately EUR 68.7 mln as at 31 December 2024) and an increase in stage 2 of EUR 110.2 mln.

For more information on the assumptions used for the estimates, the composition of management overlays and their trends compared to the previous year, as well as the sensitivity analysis with respect to alternative scenarios, please refer to “Part E - Information on risks and hedging policies, section 2 - Risks of the prudential consolidation, 1.1 Credit risk, paragraph 2.3 Methods for measuring expected losses” in the Notes to the consolidated financial statements.

Inclusion of government guarantees

Finally, with regard to the treatment of government guarantees, it should be noted that, in accordance with the guidance of the Authorities, these did not impact the calculation of the SICR - since the latter does not depend on the guarantees, but on the creditworthiness, which remains specific to the counterparty; they have instead affected the estimate of the ECL, through the use of an LGD parameter that takes into account the government mitigation measures, introduced and expanded with the “Cura Italia” and “Liquidità” decrees. This approach derives from the assessment carried out on the characteristics of the guarantees that allow them to be considered as an integral part of the contract pursuant to IFRS 9.

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Disclosure on public funding pursuant to Article 1, paragraph 125 of Italian Law no. 124 dated 4 August 2017 (“Annual Law for the Market and Competition”)

As at the reporting date of these financial statements, in the National Register of State Aid, the grants received by the Bank for the year 2025, mainly for training activities, totalling EUR 3.0 mln, are posted and publicly available in the Transparency section “Individual Aid”. In this regard, it should be noted that, in line with the provisions of the law, economic benefits below the threshold of EUR 10,000 are not reported (threshold referring to the total amount of benefits that the Bank received from the same authority in the financial year 2025 in a single deed or in several deeds). For more details, please refer to the following link:

https://www.rna.gov.it/sites/PortaleRNA/it_IT/trasparenza

A.3 Information on portfolio transfers

The tables on transfers between portfolios of financial assets have not been compiled as, in the 2025 financial year, as in previous years, the Bank did not carry out any reclassification transactions following the change in the *business* model, that is, in the way in which the Bank manages financial instruments.

A.4 – Fair value disclosure

Qualitative Information

IFRS 13 defines fair value as the price that would be received for the sale of an asset or that would be paid for the transfer of a liability in a regular transaction among market operators operating on a going concern basis (that is, not in a forced liquidation or a sale below cost) at the conditions prevailing on the valuation date in the main or most advantageous market (exit price). The Bank must measure the fair value of an asset or liability by adopting the assumptions that market participants would use in determining the price of the asset or liability, assuming that they act to best meet their economic interests.

For the purposes of measuring financial and non-financial assets and liabilities at fair value, IFRS 13 defines a threefold hierarchy of fair value, based on the source and quality of the inputs used. The methods for classifying financial instruments in the three-level fair value hierarchy are shown below.

Level 1

This level shall include financial instruments measured using unadjusted quoted prices in active markets¹⁵⁴ for identical instruments.

Levels 2 and 3

An instrument is classified in level 2 if all significant inputs are directly or indirectly observable on the market. An input is observable if it reflects the same assumptions used by market participants, based on independent market data.

Level 2 inputs are as follows:

- a) quoted prices on active markets for similar assets or liabilities;
- b) quoted prices for the instrument in question or for similar instruments on non-active markets, i.e. markets where: (i) there are few transactions, (ii) prices are not current or vary substantially over time and between different market maker or (iii) little information is made public;
- c) observable market inputs other than quoted prices (e.g.: interest rates or yield curves observable in different buckets, volatility, credit curves, etc.);
- d) inputs that derive primarily from observable market data, the reporting of which is confirmed by parameters such as correlation.

A financial instrument is classified in level 3 if the measurement techniques adopted use non-observable market inputs and their contribution to estimating fair value is deemed significant. All financial instruments not listed in active markets are classified in level 3 where:

- despite having observable data available, significant adjustments based on non-observable data are required;
- the estimate is based on internal assumptions on future cash flows and risk adjustment of the discount curve.

For financial instruments measured at fair value in the financial statements, the Bank has adopted a “Fair Value Policy” that assigns the highest priority to prices quoted on active markets (level 1) and a lower priority to the use of non-observable inputs (level 3), as they are more discretionary, in line with the fair value hierarchy represented above. In detail, this policy defines:

¹⁵⁴ Pursuant to IFRS 13, a financial instrument is quoted in an active financial market when:

- the quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, authorised body or regulatory agency;
- the quoted prices represent actual and regularly occurring market transactions on an arm's length basis.

- the rules for identifying market data, the selection/hierarchy of information sources and the price configurations to value the financial instruments contributed on active markets and classified at level 1 of the fair value hierarchy;
- valuation techniques and related input parameters in all cases in which this is not possible due to absence of directly observable prices on markets considered active.

In determining fair value, the Bank uses information based on market data obtained from independent sources, where available, as this is considered the best evidence of fair value. In this case, fair value is the market price of the instrument being measured (i.e. without modifying or remeasuring the same instrument), which can be inferred from the prices expressed by an active market (classified in level 1 of the fair value hierarchy). In the absence of an active market price or a regularly functioning market (i.e. when the market does not have a sufficient and continuous number of transactions), the fair value of a financial instrument is arrived at from the prices observed in recent transactions involving similar instruments in active markets (adjusted as appropriate for differences in instruments and market conditions), rather than from the prices of recent transactions involving an identical instrument as that being measured on non-active markets; in the absence of observable transaction prices for the instrument being measured or similar instruments, a valuation model must be adopted.

Classification in level 2 rather than level 3 is determined on the basis of market observability of the significant inputs used to determine fair value. A financial instrument must be classified in its entirety in a single level; therefore, if inputs belonging to different levels are used in the valuation technique, the entire valuation must be classified in correspondence with the level of the hierarchy in which the lowest level input is classified, if it is considered significant for the determination of the fair value as a whole.

The following types of investments are normally considered as level 2:

- equities not listed on active markets, valued using the market multiples technique, or valued on the basis of actual transactions that occurred within a time frame reasonably close to the reference date;
- OTC derivative financial instruments, if the inputs of the pricing models, used to determine the fair value, are observable on the market or, if not observable, are considered such as not to significantly affect the measurement of fair value;
- third-party debt securities or own issue not listed on active markets whose inputs, including credit spreads, are obtained from market sources.

The following financial instruments are generally considered level 3:

- hedge funds characterised by significant levels of illiquidity and for which it is believed that the process of valuation/disposal of the fund's assets requires, to a significant extent, a series of assumptions and estimates. The fair value measurement is carried out on the basis of the adjusted NAV to take into account the low liquidity of the investment;
- alternative investment funds for which the discounted cash flow is used;
- private equity and real estate funds valued on the basis of the last available NAV, adjusted if necessary to take into account events not included in the valuation of the unit or to reflect a different valuation of the assets underlying the fund;
- equity securities for which no recent or comparable transactions can be observed, and valued on the basis of the equity or income model;
- debt securities, ABS and derivative transactions characterised by complex financial structures for which publicly unavailable sources are generally used;
- debt securities issued by parties in financial difficulty for which the "recovery rate" must be estimated;
- financial instruments represented by OTC derivatives for which the non-observable input parameters used by the pricing model are considered significant for the purposes of measuring the fair value;
- performing and non-performing medium/long-term loans valued on the basis of expected cash flows estimated with different models depending on the status of the counterparty and discounted using a market interest rate.

For information on the fair value of non-financial assets, attributable to property, plant and equipment represented by properties, please refer to the following paragraph.

A.4.1 Fair value level 2 and 3: measurement techniques and inputs used

The following tables show, respectively, for Level 2 and 3 financial instruments, the accounting portfolio, a summary of the types of instruments in use at the Bank, and evidence of the related valuation techniques and the inputs used.

Fair value level 2 as at 31 12 2025										
Items	Financial assets held for trading	Other financial assets mandatorily measured at fair value	Financial assets measured at fair value through other comprehensive income	Hedging derivatives	Financial liabilities held for trading	Financial liabilities designated at fair value	Hedging derivatives	Type	Valuation techniques	Inputs used
Debt securities	211,028	-	-	X	-	126,418	X	Bonds	Discounted Cash Flow	Interest rate curves, CDS curves, Basi (yield), Inflation curves
								Structured bonds	Discounted Cash Flow	Interest rate curves, CDS curves, Basi (yield), Inflation curves + inputs necessary to measure optional component
Equity instruments	-	-	-	X	X	X	X	Bonds/Notes	Market price	Market price
								Share/equity instruments	Market price	Market price, Recent transactions, Appraisals, Manager reports
								Equity instruments	Discounted cash flow	Share price, Beta sector, Free risk rate
								Equity instruments	Net asset adjusted	Carrying Amount Asset/Liabilities
Financial derivatives	2,702,386	X	X	720,717	1,124,595	X	216,241	IRS/Asset/Currency Swaps	Discounted Cash Flow	Interest rate curves, CDS curves, Basi (yield), Inflation curves, Exchange rate, Interest rate correlation
								Equity swaps	Discounted Cash Flow	Share price, Interest rate curve, Exchange rate
								Forex Singlename Plain	Option Pricing Model	interest rate curve, exchange rate, Forex volatility
								Forex Singlename Exotic	Option Pricing Model	interest rate curve, exchange rate, Forex volatility (Surface)
								Equity Singlename Plain	Option Pricing Model	Interest rate curve, Share price, Exchange rate, Equity volatility
								Equity Singlename Exotic	Option Pricing Model	Interest rate curves, share price, Exchange rate, Equity volatility (surface), Model/parameters
								Equity Multiname Plain	Option Pricing Model	Interest rate curve, Share price, Exchange rate, Equity volatility, Quanto correlation, Equity/Equity correlation
								Equity Multiname Exotic	Option Pricing Model	Interest rate curve, Share price, Exchange rate, Equity volatility (Surface), Parameters models, Quanto correlation, Equity/Equity correlation
								Plain rate foreign-currency transactions	Option Pricing Model	Interest rate curves, Inflation curves, Bonds price, Exchange rate, Rate volatility, Rate correlations
								Default swaps	Market price*	Market price, Swap Point
Credit derivatives	2,725	X	X	-	331,650	X	-	Default swaps	Discounted Cash Flow	CDS curves, Interest rate curves
Total assets	2,916,592	-	9,479	720,717	X	X	X			
Total liabilities	X	X	X	X	1,456,245	126,418	216,241			

*prices for identical financial instruments listed in non-active markets (IFRS 13 par. 82 section b)

Fair value level 3 as at 31 December 2025								
Items	Financial assets held for trading	Other financial assets mandatorily measured at fair value	Financial assets measured at fair value through other comprehensive income	Financial liabilities held for trading	Types	Valuation techniques	Unobservable inputs	Range (weighted average)
Debt securities	3,023	16,977	1,209	-	Notes	Discounted Cash Flow	Discount rate	8%
					Participating financial instruments	Credit Model	Credit Data (LGD/PD)	0-0.8 €/mln
Equity instruments	-	13,645	165,613	X	Investments	Discounted Cash Flow	Liquidity base/Equity Risk Premium/Beta	20%/8%/0.4
					Participating financial instruments	Credit Model	Credit Data (LGD/PD)	0-12.5 €/mln
Units of UCITS		219,309	X	X	Investments	Cost/Net equity	Fair value asset	0-12.6 €/mln
					Closed-end Fund	External pricing	Fair value asset	5.1 €/mln
					Real estate closed-end Fund	External pricing (Management reports)	Book value Asset funds	237 €/mln
					Alternative Investment Fund	Discounted Cash Flow	Discount rate	8.09%- 10.30%
Loans	-	129,876	-	X	Private Equity funds	Nav Investor report	Management report, technical data sheet for assets held in the portfolio	0.03-8.16€/mln
					Loans	Discounted Cash Flow	NPE SPREAD	1.92% - 2.13%
					Loans	Discounted Cash Flow	LGD	0.08% - 80.87%
					Loans	Discounted Cash Flow	PD	0.07% - 33.48%
Financial derivative	X	X	X	502	Loans	Discounted Cash Flow	PE SPREAD	0.18% - 0.82%
					IR/Asset/Currency Swaps	Discounted Cash Flow	Surrender Rate	No dynamics/Stochastic volatility
Total assets	3,023	379,807	166,822	X				
Total liabilities	X	X	X	502				

The techniques and parameters for calculating the fair value, as well as the criteria for assigning the fair value hierarchy, are defined and formalised in the aforementioned “Fair value policy” adopted by the Bank. The reliability of fair value measurements is also ensured by the verification activities carried out by a Risk Management structure, independent of the Front Office units that hold the positions, which periodically reviews the list of pricing models to be used for the purposes of the Fair Value Policy. These models must represent market standards or best practices and the related calibration techniques must guarantee a result in line with valuations able to reflect “current market conditions”. Specifically, to correctly determine the fair value, for each product a pricing model is associated, generally accepted by the market and selected on the basis of the characteristics and market variables underlying the product. With particularly complex products or if the existing valuation model for products in use is deemed to be lacking or inadequate, an internal process is activated to supplement the current models. On the basis of this process, the Risk Management department carries out a first validation of the pricing models, which may be native to the Position Keeping system or be issued by a specific internal unit; this is followed by a stage in which the same unit ensures the reliability of the previously validated model.

In detail, the validation activity, carried out on a range of instruments identified above certain materiality thresholds, is aimed at verifying the theoretical robustness of the model, through an independent repricing of the price, a possible calibration of the parameters and a comparison with the prices of the counterparties.

Following the validation stage, an ongoing review is carried out to confirm the accuracy and alignment to the market of the pricing models used by the Bank, and appropriate changes are made, if necessary, to the models and the related underlying theoretical assumptions. To take into account the risk that the pricing models, even if validated, may generate fair value values that are not directly comparable with market prices, an adjustment is made for “Model risk”, as described below.

Financial assets and liabilities measured at fair value on a recurring basis

Financial assets and liabilities measured at fair value on a recurring basis are represented by all financial instruments measured in the financial statements on the basis of the fair value criterion (items 20, 30, 50 of the balance sheet

assets and items 20, 30, 40 of liabilities in the balance sheet). For these financial instruments, in the absence of directly observable prices on active markets, it is necessary to determine a fair value on the basis of the valuation approach described in the previous paragraph. The main valuation techniques adopted for each type of financial instrument are illustrated below.

Debt securities

The valuation of non-contributed securities (i.e. securities without official prices expressed by an active market) is carried out using a suitable credit spread, identified from contributed and liquid financial instruments with similar characteristics. The sources from which to draw this measure are as follows:

- contributed and liquid debt securities of the same issuer;
- credit default swaps on the same reference entity;
- contributed and liquid securities issued by an issuer with the same rating and belonging to the same sector. In any case, the different seniority of the security to be priced in relation to the issuer's debt structure is taken into account.

Furthermore, for bonds not quoted on active markets, to take into account the higher premium requested by the market compared to a similar contributed security, an additional component, estimated on the basis of the bid/ask spread, is added to the "fair" credit spreads observed on the market.

Loans that do not pass the SPPI test

These are loans mandatorily measured at fair value as the contractual cash flows do not exclusively provide for the repayment of principal and payment of interest on the principal to be repaid (i.e., they do not pass the "SPPI test"), either by virtue of clauses originally envisaged in the contract or following subsequent amendments. The fair value is valued with the Discounted Cash Flow approach, which is applied in a different way depending on whether the loans are performing/non-performing:

- for performing loans, the fair value is determined on the basis of cash flows, appropriately adjusted for expected losses, based on the unobservable parameters PD and LGD. These flows are then discounted on the basis of a market interest rate, adjusted to take into account a premium deemed to express the risks and uncertainties. In the presence of implicit option components, which, for example, provide for the option of changing the interest rate, the fair value also takes into account the value of said components;
- for non-performing loans, the measurement of the fair value is based on directly or indirectly observable market parameters, which refer to risk factors found in the transfer of NPLs in order to obtain a market price, representative of the uncertainty of the collection process. In particular, cash flow forecasts are expressed by the analytical repayment plans that represent the information on the estimated loss rate on the position. The collection flows estimated in this way are discounted using a discount factor that is constructed starting from a spread representing the uncertainty of the collection process (unexpected loss) and any other residual risk; the discount rate is then calculated by adding this spread to the risk-free interest rate curve, without taking into account the contractual rate.

Unlisted equities

They are valued with reference to direct transactions on the same security or on similar securities observed over a period of time with respect to the valuation date, using the market multiples method of comparable companies and subordinate to financial, income and equity valuation methods.

Investments in UCITS

They are, as a rule, valued on the basis of NAVs or expected flows and/or business plans made available by the fund administrator or management company. If the NAV does not represent fair value, from the perspective of a market participant, the Bank may adopt certain adjustments/haircuts. These typically include private equity funds, alternative investment funds among which funds investing in non-performing loans, real estate funds, hedge funds.

In the specific case of alternative investment funds that invest in NPE loans, the Bank has estimated the unit value as the sum of the present values of the expected fund distributions (Discounted Cash Flows). The inputs used are as follows:

- cash flows related to net distributions to investors envisaged in the business plans/management accounts of their respective operations;
- discount rate between 8.09% and 10.30%, depending on the capital structure and the additional premium for the risk of each transaction.

Credit structured products

With reference to ABS (asset backed securities), when significant prices are not available, valuation techniques are used that take into account parameters that can be inferred from an active market (level 2 inputs) or must be estimated, if unobservable (level 3 inputs, if significant). In the first case, the cash flows are acquired from info providers or specialised platforms; the spreads are derived from the prices available on the market/info provider, analysing the performance of the underlying assets on the basis of the investor reports. If they are not available, the Bank uses valuation techniques aimed at recreating the contractual waterfall of the securitisations in order to estimate the potential recoveries of the outstanding notes

Over the counter (OTC) derivatives

Interest rate, exchange rate, equity, inflation, commodity and credit derivatives, where not traded on regulated markets, are valued using appropriate valuation models, fed by input parameters (such as, for example, interest rate, exchange rate and volatility curves) observed on the market and subject to the monitoring processes described in the "Group Fair Value Policy".

These models estimate the probability that a specific event will occur by incorporating assumptions such as the volatility of the estimates, the price of the underlying instrument and the expected rate of return.

In addition, for the purpose of measuring fair value, the aforementioned "Group Fair Value Policy" envisages that some "fair value adjustments" be considered with the objective of best reflecting the realization price of an actually possible market transaction. In particular, this relates to model risk, liquidity risk and counterparty risk set out below.

Model risk: this adjustment is made to take into account the risk that the pricing models, even if validated, may generate fair value values that are not directly observable or not immediately comparable with market prices. This is the case of pricing algorithms or types of pay-off that are not adequately widespread on the market or in the presence of models that are particularly sensitive to variables that are difficult to observe on the market.

Liquidity risk: this adjustment is made to take into account the extent of the "bid / ask spread", i.e. the actual cost of disposing of a position in financial instruments in inefficient markets. The correction for the liquidity risk is greater for more structured products, due to the related hedging/disposal costs, and for valuation models that are not sufficiently established and of widespread use among operators, since this makes the valuations more uncertain.

Counterparty risk: adjustments to the market value of OTC derivatives, classified as "performing", are made in order to reflect:

- the risk of possible counterparty default - Credit Valuation Adjustment (CVA);
- the risk of non-fulfilment of the issuer's contractual obligations towards a counterparty (own credit risk) - Debt Valuation Adjustment (DVA).

The Bank calculates the Credit/Debit Value Adjustment on all positions in OTC derivatives with non-collateralised institutional and commercial counterparties to include counterparty risk in the fair value measurement. The methodology is based on the calculation of expected operational loss linked to counterparty rating and estimated on a position's duration. As at 31 December 2025 the CVA amounted to EUR -3.5 mln.

The Bank calculates the value adjustment of OTC derivatives in a mirror image fashion and on the same perimeter to take into account its credit worthiness (DVA). As at 31 December 2025, the value of the DVA amounts to a total of EUR 1.2 mln.

Financial assets measured at fair value on a non-recurring basis

Financial assets and liabilities measured at amortised cost in the financial statements

For financial assets and liabilities recognised in the financial statements at amortised cost, classified, in the accounting categories of “Financial assets measured at amortised cost” (loans to banks and customers) and “Financial liabilities measured at amortised cost” (due to banks and customers and debt securities issued), the calculation of the fair value is relevant for information purposes only, in line with the provisions of the reference accounting standard IFRS 7. The criteria to calculate the fair value of performing and non-performing loans to banks and customers are the same adopted for the fair value valuation on a recurring basis of the loans that do not pass the SPPI test, to which reference is made. Exceptions to this rule are loans to central banks included in the “Loans to banks” portfolio for which the book value is considered a good approximation of the fair value as allowed by accounting standard IFRS 7, and is classified in level 2 of the hierarchy. The same methodology and classification are used for the “Due to banks” and “Due to Customers” portfolios.

For debt securities classified in the “Loans to banks or customers” or “Debt securities issued” portfolio, the fair value was determined through the use of prices contributed on active markets or through the use of valuation models, such as described in the paragraph “Assets and liabilities measured at fair value on a recurring basis” above, to which reference is also made in relation to the threefold fair value hierarchy.

With reference to the classification of loans to customers and banks within the fair value hierarchy, it should be noted that customers are classified in level 3 and banks in level 2, except in the case of non-performing exposures.

Non-financial assets measured at fair value on a recurring basis

For the Bank, non-financial assets measured at fair value on a recurring basis consist of its owned real estate assets.

Fair value of owned real estate assets

The Bank adopts the revaluation model for the measurement of the value of property assets for business use pursuant to IAS 16 and of the fair value for investment properties pursuant to IAS 40, for valuation subsequent to the initial recognition.

Real estate valuation methodology

The revaluation method requires that the assets used in the business, whose fair value can be reliably measured, are recognised at a restated value, equal to their fair value at the date of the revaluation of value, net of depreciation and any losses for accumulated impairment.

For properties held for investment purposes, the Group has chosen the fair value measurement method, according to which, after initial recognition, all investment properties are measured at fair value.

The fair value of the properties, whether for business or investment use, is determined through the use of specific appraisals prepared by independent qualified companies operating in the specific sector able to provide property valuations on the basis of the RICS Valuation standards. These standards ensure that:

- the fair value is determined consistently with the indications of international accounting standard IFRS 13, that is it reflects the estimated amount for which an asset or liability is sold or purchased, on the valuation date, by a seller and a buyer both willing, and not linked by a special relationship, at competitive conditions, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion;
- the experts have professional, ethical and independence requirements in line with the provisions of international and European standards.

Appraisals in “full” mode, i.e. with an inspection of the property in addition to a detailed analysis of the available documentation, are carried out for relevant properties (i.e. with a book value of more than EUR 10 mln) on a half-yearly basis and on a rotating basis for all other properties as an alternative to “desktop” appraisals, i.e. without an external inspection, with only a review of the documentation. The Bank has decided to carry out “full” appraisals on at least 50% of the overall book value of properties that are either operating assets (IAS 16) or investment assets (IAS 40).

The valuation methodologies applied by the appraiser are aligned with international IVS (International Valuation Standards) practices and with what is set forth in the Red Book of the Royal Institute of Chartered Surveyors (RICS). They refer to the following situations:

- Discounted cash flow (DCF) method;
- Market comparison approach (MCA);
- Transformation method with DCF analysis.

The discounted cash flow method is based on the net cash flows that can be generated within a period of time and is the best estimation approach to adequately represent the market value of assets likely to be acquired as properties, both for direct use (instrumental use), and for investment purposes, as a source of ongoing income from rents. The assumption underlying the cash flow approach is that a rational buyer is not willing to pay to buy the asset a price higher than the current value of the economic benefits that the asset will provide in the future. The value of the asset, therefore, is a function of the economic benefits that will be generated by it. The Market Value is calculated as the sum of the discounted net revenues and the discounted net sales value at the valuation date. The net revenues are calculated based on the gross revenues less the operating costs related to the property. The gross revenues are calculated by indexing the rents received for the leased portions, or the market rents for the vacant portions, considering for the calculation of the DCF a time period between 10 and 20 years according to the intended use of the property and the residual duration of outstanding lease contracts. The net sales value is obtained by capitalising in perpetuity the operating income for the last period of the DCF using a capitalization rate (cap rate) in line with average market yields, from which the sales commission is then deducted. After finding the annual net revenues and the net sales value, the discounted values at the beginning of the first period are calculated by using an appropriate discount rate, suitable for each individual property. The main input data are: (i) revenues (contractual rents, market rents); (ii) vacancy and take up period, contractual stepup etc.; (iii) costs (administration, property tax, insurance premium, tenant improvements, lease and sales commission, etc. and iv) interest rates (WACC, exit cap rate).

The market comparison approach provides an estimate of the value of the asset through the comparison with properties recently sold or currently on sale on the market that are comparable in terms of type, construction and location. The value of the property is therefore found by taking into account the sale prices or rents, updated as at the valuation date and obtained from an in-depth market survey, and then making specific adjustments as deemed appropriate given the intrinsic and extrinsic characteristics of the property in question, as well as any other factor deemed relevant. The market comparison approach is usually recommended for residential properties for which it is easy to find transactions on comparable assets.

The transformation method with DCF analysis is used in the case of assets that can be transformed or are already being transformed. The value is given by the difference between the most likely market value of the transformed asset and the sum of all the most likely costs of the factors involved in the transformation of the asset itself. The transformation method is often used to express an opinion on the economic benefit of initiatives to renovate existing assets, but it can also be used for an appraisal aimed at providing an estimate value valid for the majority of market operators. This estimation method is based on the discounting, at the valuation date, of the cash flows generated by the real estate transaction over a time period corresponding to its duration, converting the cash flows allocated at the time of their generation into the Net Present Value (NPV) of the real estate transaction through a financial discounting procedure. The model simulates the assumptions of a typical investor, which aims at receiving a satisfactory economic return on the investment. In particular, the model is articulated in a cash flow scheme with income (revenues) and expenses (costs) relating to the real estate transformation project. Expenses include costs for construction, demolition, urbanisation, design, site management and other costs; the income includes sales made for each sector of intended use (residential, industrial, workshops, sales, tertiary and services). The financial model does not consider VAT and other taxes. The main input data are i) the revenues generated from the sale of buildings built or renovated; ii) the costs (construction costs, urbanisation costs, planning and site management costs, sales commissions, etc., and iii) interest rates (WACC).

The valuation approach is defined considering for each property:

- the breakdown in terms of property unit;
- the current intended use of each property, assuming this represents the highest and best use, and considering alternative uses of the properties where this corresponds to market expectations;
- the nature of the property, whether for business use, investment use, mixed.

Depending on the intended use, the occupation status and the nature of the asset, the valuation method deemed most appropriate by the appraiser is applied for each property unit and the value is divided between business use and investment portions.

The properties are valued individually at the level of the single property without considering any discount or premium that can be negotiated in a commercial negotiation phase if all, or part of the portfolio, is sold en bloc, both by lots and entirely.

With regard to the Bank's property asset valuation as at 31 December 2025, the prevalent valuation method is the DCF analysis, which is used for approximately 95.2% of properties, followed by the market comparison approach (for approximately 2.7%) and, residually, the transformation method (for approximately 2.1%).

The valuation of the properties is significantly based on estimates that are characterised in nature by elements of judgement and subjectivity, the Bank's entire property assets are classified at level 3 in the fair value hierarchy.

Main inputs

Rent

Rent may refer to rent for the lease of occupied spaces or market rents for vacant spaces. Contractual fees are recognised in the Risk assessment model on an annual basis and indexed to 75% or 100% of the increase in the consumer price index for blue- and white-collar households (FOI), excluding tobacco (ISTAT index), until contract expiry; market rents are indexed to 100% of the increase in the ISTAT index until the time of their application. This applies until such time that a new lease commences, whereupon rent is indexed to 75% of the ISTAT index increase. A vacancy period is also assumed upon the expiry of existing leases or for vacant properties, estimated according to the type and size of the property.

Cash flow discount rates (WACC)

The cash flow discount rate is represented by the Weighted Average Cost of Capital (WACC), which weighs the specific costs of each component of invested capital: debt (borrowed funds) and equity (own funds). The formula used to calculate WACC is as follows:

$$WACC = K_d (D/D+E) + K_e (E/D+E)$$

where:

E = equity

D = debt

$E + D$ = invested capital

K_d = cost of debt, calculated as: $(1+IRS)*(1+SPREAD) - 1$

K_e = cost of equity, calculated as: $(1+Risk-free\ rate)*(1+Risk\ premium) - 1$

The inputs used to calculate the cost of debt (K_d) and the cost of equity (K_e) are as follows:

Risk Free = medium/long-term return on risk-free Securities, calculated as the average daily gross yield on BTPs over the last 90 trading days; given the average yields of 5-, 10-, 15-, 20- and 30-year BTPs and, consequently, the average 12-, 18- and 25-year values, as at the valuation date the Risk Free is in the range of 2.77%-4.27%;

Risk Premium = the specific risk of the property being valued, determined using the "Build up" approach, by combining the individual systematic risk items attributable to a property (location, lease status and asset characteristics);

EURIRS = the medium- to long-term interest rate usually underlying the Loans granted by credit institutions, calculated based on the average value of the daily rates over the last 90 trading days at 5, 10, 15, 20 and 30 years and, consequently, the average values at 12, 18 and 25 years; as at the valuation date the rate was in the range 2.33%-2.89%;

SPREAD = profit margin of the credit institution.

Cap rate

The methodology developed to calculate cap rate is aligned with the decision-making process of an ordinary investor, taking into account that the cap rate expresses the level of risk/return on the property being valued at the time of final divestment. In particular, a build-up approach is used by combining the real long-term yield of risk-free assets (Risk Free_Exit) with the specific risk forecast at the time of final divestment (Adjusted Risk Premium). The formula is as follows:

$$\text{CAP RATE} = ((1 + \text{Risk-free\_Exit}) / (1 + \text{Inflation\_Exit})) * (1 + \text{Adjusted risk premium}) - 1$$

where:

Risk Free_Exit = long-term return on risk-free securities; the Risk-Free rate used in the construction of the Cap Rate is the longest maturity among those available, that is, the 30-year average yield of 4.43%

Adjusted Risk Premium = the specific risk of the property being valued at the time of final disinvestment

Inflation_Exit: the inflation figure factored into the cap rate is the 2.00% inflation forecast indicated in the ECB Economic Bulletin.

Inflation

The rate of inflation is used in the assessment for rent indexation and in the calculation of the Cap Rate according to the following scheme:

- Period 1 inflation: 1.40%, equal to the rolling average of the last 12 FOI – national consumer price index figures for blue- and white-collar households excluding tobacco;
- Period 2 inflation: 1.70%, equal to the arithmetical mean between inflation for Period 1 and steady-state inflation;
- Headline inflation: 2.00%, equal to the prospective inflation from the ECB Economic Bulletin.

Valuation frequency

The revaluation of properties used in the business (IAS 16) and the determination of the fair value for investment properties (IAS 40) are performed on the basis of half-yearly appraisals. More specifically, as at 31 December 2025, the Bank carried out updated appraisals for all real estate assets on a half-yearly basis.

Summary of the effects of fair value measurements for the 2025 financial year

As at 31 December 2025, also taking into account the results of the valuation updates carried out as at 30 June 2025, the net negative effect for the year 2025 amounts to a total of EUR 25.3 mln, gross of related taxes. The overall effect was as follows:

- for properties classified as IAS 16, a negative effect of EUR 3.9 mln;
- for properties classified under IAS 40, a negative effect of EUR 20.8 mln;
- for properties classified as IAS 2, a negative effect of EUR 0.6 mln;

offset by:

- item 230 of the Income statement – “Net result of measurement at fair value of property, plant and equipment and intangible assets” for a total negative change of EUR 22.6 mln gross of related taxes;
- item 110 of the balance sheet – “Valuation reserve” for a total negative change of EUR 2.7 mln gross of the related taxes.

Sensitivity analysis of non-financial instruments

Like financial instruments, non-financial assets and liabilities measured at level 3 fair value are also subjected to sensitivity analysis for which, based on the valuation model used to determine fair value, execution is possible and whose results are significant.

The sensitivity analysis identified the most significant variables built into the valuation model for each property class, represented by the discounted cash flow method. In particular, market rents were taken into account for real estate used in operations and the so-called “exit value” for real estate held for investment. Considering a change equal to +/-

5% of the aforementioned variables, the analysis showed an average deviation in the fair value of the properties within a range between -5.5% and +5.1%.

A.4.2 Measurement processes and sensitivity

A description of Level 3 financial instruments that show significant sensitivity to changes in unobservable inputs is provided below.

Within the column “other Financial assets mandatorily measured at fair value” in the category “Debt securities” measured using the Discount Cash Flow method, both mezzanine and junior tranches referring to the securitisation of a portfolio of loans classified as non-performing loans called “Siena NPL” for EUR 12.3 mln are included. For this position, the change in the discount rate (+/-1%) and in the flows of expected distributions (+/-10%) would determine a range of values of EUR 12.2–12.6 mln and EUR 13.2–12.1 mln, respectively.

Also worth mentioning in this category are approximately EUR 14.1 mln relating to certain equity financial instruments acquired by the Bank under credit restructuring agreements for which the *sensitivity* analysis was not carried out as the unit value of the individual exposures is below the minimum materiality thresholds established by the Bank.

Still within the column “other Financial assets mandatorily measured at fair value” there are Loans (EUR 129.9 mln) that are mandatorily measured at fair value. The unobservable parameters are Probability of Default (PD), Loss Given Default (LGD) and the different spreads for performing and non-performing assets. The change in these parameters, of 10%, 5%, 1% and 1%, respectively, would have an impact on fair value of approximately EUR -5.5 mln.

The majority of the UCITS units refers, for EUR 94.2 mln, to units of funds received in exchange for the sale of non-performing loans (Back2bonis, IDEA CCR I, II and Nuova Finanza, Clessidra and Efesto). The change in the discount rate (+/-1%) and in the expected distribution flows (+/-10%) would result in the following *ranges* of values: EUR 88.8 – 93.6 mln and EUR 100.3 – 82.1 mln, respectively.

The category of UCITS units also contains the total contributions made from June 2016 onwards to the Italia Recovery Fund (formerly Atlante due) for a book value of EUR 5.1 mln calculated on the basis of the latest available NAV.

Lastly, the UCITS category also includes private equity funds and closed-end real estate funds for EUR 120.1 mln; for the positions in the Fondo Etrusco Distribuzione (EUR 81.7 mln) and the Fondo Democrito (EUR 5.1 mln), the change in the probability of default (+/-1%) and in recovery rates (+/-10%) would result in a range of values of EUR 91.8–83.9 mln, respectively. With regard to the remaining positions, it was not possible to carry out any quantitative analysis of the sensitivity of the fair value with respect to the change in unobservable inputs, as the fair value is the result of a model whose inputs are specific to the entity being measured and for which the information necessary for a sensitivity analysis is not available.

The “Financial assets measured at fair value through other comprehensive income” accounting portfolio includes the equity investment in Bank of Italy (EUR 137.5 mln), measured using the Discounted Cash Flow method. The equity investment was measured with the methodology identified by the Committee of Experts in the document “Revaluation of shareholdings in the Bank of Italy”. This document not only details the valuation techniques adopted to reach the end result, but identified the following entity-specific parameters: the market beta, equity risk premium, and the cash flow base. The valuation of that equity investment is also confirmed in market transactions carried out in recent years by certain banks. The range of possible values that can be assigned to these parameters cause the following changes in value: roughly EUR -8 mln for every 100 bps increase in the equity risk premium, roughly EUR -13 mln for every 10 percentage points increase in the market beta, and roughly EUR -15 mln for every 10 percentage points increase in the liquidity base.

This category also includes equity securities representing all equity investments designated at fair value that could not be measured according to a market-based model. These positions amount to approximately EUR 28.1 mln. A sensitivity analysis was not conducted for these positions for the same reasons as above with reference to the UCITS.

Finally, a sensitivity analysis was carried out on the senior tranches relating to the securitisation of a portfolio of loans classified as non-performing (including a portion of tranches for EUR 3.0 mln classified in the trading portfolio and EUR 1.0 mln in the “Financial assets measured at fair value through other comprehensive income” portfolio) measured using the Discount Cash Flow method. The change in the Discount rate (+/-1%) and in the expected distribution flows (+/-10%) would result in a *range* of values of EUR 4.1 – 4.3 mln and EUR 4.6 – 3.9 mln, respectively.

Among the financial liabilities held for trading are financial derivatives (approximately EUR 0.5 mln) included for the correct management of the lapse risk inherent in commission flows deriving from the placement of certain unit linked policies. A sensitivity analysis was not carried out for these positions as they were not considered material for the Bank.

A.4.3 Fair value hierarchy

For the purposes of completing the disclosure on transfers between levels provided in paragraphs A.4.5.1, A.4.5.2 and A.4.5.3 below, it should be noted that, for Securities held at 31 December 2025 and which had a different *fair value* level with respect to the one assigned at 1 January 2025, it was assumed that the transfer between the levels took place with reference to the balances held at the beginning of the reference period.

A.4.4 Other information

With reference to par. 93 letter (i) of IFRS 13, the Bank does not hold any non-financial assets measured at fair value whose current use does not represent its best possible use.

With reference to par. 96 of IFRS 13, the Bank does not apply the portfolio exception provided for in par. 48 of IFRS 13.

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 level.

Asset and liabilities measured at fair value	31 12 2025				31 12 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
1. Financial assets measured at fair value through profit or loss:	4,926,295	2,916,592	382,830	8,225,717	3,514,503	2,608,889	453,491	6,576,883
a) Financial asset held for trading	4,926,295	2,916,592	3,023	7,845,910	3,514,503	2,608,889	-	6,123,392
c) other financial assets mandatorily measured at fair value	-	-	379,807	379,807	-	-	453,491	453,491
2. Financial assets measured at fair value through other comprehensive income	1,660,092	9,480	166,822	1,836,394	2,162,396	9,383	165,581	2,337,360
3. Hedging derivative	-	720,717	-	720,717	-	59,384	-	59,384
4. Property, plant and equipment	-	-	1,598,706	1,598,707	-	-	1,690,134	1,690,134
Total assets	6,586,387	3,646,789	2,148,358	12,381,535	5,676,899	2,677,656	2,309,206	10,663,762
1. Financial liabilities held for trading	1,421,895	1,456,246	502	2,878,643	1,619,122	1,031,841	1,515	2,652,478
2. Financial liabilities designated at fair value	-	126,418	-	126,418	-	119,670	-	119,670
3. Hedging derivative	-	216,241	-	216,241	-	346,337	-	346,337
Total liabilities	1,421,895	1,798,905	502	3,221,302	1,619,122	1,497,848	1,515	3,118,484

For information on financial instruments classified in level 3, please refer to the above.

During the year, for some financial assets, in particular securities for approximately EUR 12.2 mln, there was a deterioration from level 1 to level 2 of the fair value.

With reference to the financial instruments that recorded an improvement in fair value level, moving from level 2 to level 1 of the hierarchy, it should be noted that this trend affected equity securities measured at fair value for approximately EUR 0.5 mln.

The above changes in fair value are essentially attributable, respectively, to the deterioration/improvement in the liquidity conditions of the Securities (measured in terms of the width of the bid-ask of the quoted price), such as to allow, in accordance with the Group's policy on the valuation of financial instruments, level transfers.

Lastly, it should be noted that, during the year, the inputs used in the models applied to measure certain securitisation notes backed by non-performing loans were revised. Within the same risk assessment model, the analyses performed entailed a change in the inputs used in the determination of the fair value of the securitisation notes, which changed from a "comparable" model approach to a model approach with non-observable inputs. Therefore, the notes referring to the securitisations subject to analysis, for an amount of approximately EUR 4.2 mln, were reclassified from fair value level 2 to level 3.

A.4.5.2 Annual changes of financial assets measured at fair value on a recurring basis (level 3)

	Financial assets measured at fair value through profit or loss				Financial assets measured at fair value through other comprehensive income	Property, plant and equipment
	Total	of which: a) financial assets held for trading	of which: b) financial asset measured at fair value	of which: c) financial assets mandatorily measured at fair value		
1. Opening balance	453,491	-	-	453,491	165,581	1,690,134
2. Increases	43,546	3,359	-	40,187	1,693	30,883
2.1 Purchase	-	-	-	-	-	-
2.2 Profit posted to:	6,727	-	-	6,727	201	21,631
2.2.1 Profit and Loss	6,727	-	-	6,727	-	11,617
- of which capital gains	3,443	-	-	3,443	-	11,617
2.2.2 Equity	-	X	X	-	201	10,014
2.3 Transfers from other levels	3,359	3,359	-	-	1,343	-
2.4 Other increases	33,460	-	-	33,460	149	9,252
3. Decreases	114,207	336	-	113,871	452	122,311
3.1 Sales	1,320	-	-	1,320	78	23,797
3.2 Redemptions	70,976	-	-	70,976	-	-
3.3 Losses posted to:	41,837	336	-	41,501	133	46,337
3.3.1 Profit and Loss	41,837	336	-	41,501	-	33,653
- of which capital losses	41,837	336	-	41,501	-	33,653
3.3.2 Equity	-	X	X	-	133	12,684
3.4 Transfers to other levels	-	-	-	-	-	-
3.5 Other decreases	74	-	-	74	241	52,177
4. Closing balance	382,830	3,023	-	379,807	166,822	1,598,706

Following are the most significant amounts reported in the column “Other Financial assets mandatorily measured at fair value” under item:

- “2.2.1 Profits posted to the Profit and Loss” amounting to approximately EUR 6.7 mln refer for EUR 3.3 mln to the gain on disposal arising from the redemption of certain equity financial instruments. Approximately EUR 3.2 mln are also included as capital gains from valuation relating mainly to revaluations of certain UCITS units (EUR 2.6 mln) and loans (EUR 0.6 mln);
- “2.4 “Other increases” amounting to EUR 33.5 mln refer for EUR 29.5 mln to new disbursements not consistent with the SPPI test;
- “3.2 Repayments” for EUR 71.0 mln includes about EUR 29.8 mln for the partial repayment of UCITS units and some equity financial instruments and EUR 41.1 mln for repayments on loan positions;
- “3.3.1 Losses posted to the Profit and Loss” amounting to EUR 41.5 mln attributable to write-downs, mainly referring to EUR 21.4 mln on UCITS units, EUR 18.6 mln on notes for the Siena NPL securitisation transaction and finally EUR 1.2 mln on non-performing Loans.

Property, plant and equipment measured at fair value on a recurring basis consisted of property assets for business and for investment use. The main amounts reported are shown below:

- “2.2.1 Profit posted to the Profit and Loss - of which capital gains” amounting to approximately EUR 11.6 mln, refer for EUR 5.8 mln to write-backs on properties classified under IAS 16 that were previously written down in the income statement, and for EUR 5.8 mln to revaluations of properties classified under IAS 40;
- “2.2.2 Shareholders' equity” amounting to around EUR 10.0 mln relates to revaluations carried out during the year on properties classified under IAS 16;
- “2.4 “Other increases” amounting to approximately EUR 9.3 mln mainly refer to improvements and capital expenditure of EUR 8.9 mln;

- “3.1-Sales” amounting to approximately EUR 23.8 mln refer to the sale of both IAS 40 and IAS 16 properties completed during the year;
- “3.3.1 Losses posted to the Profit and Loss - of which capital losses” amounting to approximately EUR 33.6 mln refer to EUR 26.5 mln and EUR 7.1 mln relating to properties classified under IAS 40 and 16 respectively;
- “3.3.2 Losses posted to shareholders' equity” equal to approximately EUR 12.6 mln refer entirely to write-downs on properties classified under IAS 16 subject to a previous revaluation recognised in the OCI reserve;
- “3.5 Other decreases” equal to approximately EUR 52.2 mln mainly refer to the depreciation charge related to properties classified under IAS 16 in the amount of EUR 25.3 mln and to properties transferred during the year among assets held for disposal for EUR 26.8 mln.

A.4.5.3 Annual changes of 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	1,514	-	-
2. Increases	2,592	-	-
2.1 Issues	-	-	-
2.2 Losses posted to	2,592	-	-
2.2.1 Profit and Loss	2,592	-	-
- of which capital losses	-	-	-
2.2.2 Equity	X	-	X
2.3 Transfers from other levels	-	-	-
2.4 Other increases	-	-	-
3. Decreases	3,605	-	-
3.1 Redemptions	-	-	-
3.2 Repurchases	-	-	-
3.3 Profit posted to:	3,605	-	-
3.3.1 Profit and Loss	3,605	-	-
- of which capital gains	1,013	-	-
3.3.2 Equity	X	-	X
3.4 Transfers from other levels	-	-	-
3.5 Other decreases	-	-	-
4. Closing balance	501	-	-

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 level

Financial asset/liabilities not measured at fair value or measured at fair value on a non-recurring basis	31 12 2025					31 12 2024				
	Book value	Level 1	Level 2	Level 3	Total Fair value	Book value	Level 1	Level 2	Level 3	Total Fair value
1. Financial assets measured at amortised costs	94,206,799	8,931,919	12,357,948	71,721,844	93,011,711	91,415,421	8,555,800	12,003,353	70,313,569	90,872,722
3. Non-current assets held for sale and disposal groups	935,928	-	-	34,984	34,984	107,529	-	-	73,529	73,529
Total assets	95,142,727	8,931,919	12,357,948	71,756,828	93,046,695	91,522,950	8,555,800	12,003,353	70,387,098	90,946,251
1. Financial liabilities measured at amortised costs	110,155,883	8,919,110	101,507,342	-	110,426,452	103,586,022	8,687,964	95,220,883	-	103,908,847
2. Liabilities associated to disposal groups held for sale	-	-	-	-	-	-	-	-	-	-
Total liabilities	110,155,883	8,919,110	101,507,342	-	110,426,452	103,586,022	8,687,964	95,220,883	-	103,908,847

For details of the valuation criteria for assets and liabilities measured at fair value on a non-recurring basis, reference should be made to the information provided in the corresponding qualitative section.

In regard to assets under disposal, only the assets measured at fair value or at fair value less disposal costs were indicated.

A.5 Information on “day one profit/loss”

The Bank did not recognise “day one profits/losses” on financial instruments pursuant to B.5.1.2A of IFRS 9; therefore, no disclosure is provided pursuant to paragraph 28 of IFRS 7 and other related IAS/IFRS paragraphs.

Part B – Information on the balance sheet

ASSETS

Section 1 - Cash and cash equivalents - Item 10

1.1 Cash and cash equivalents: breakdown

	Total	Total
	31 12 2025	31 12 2024
a) Cash	696,693	752,279
b) Demand deposits with Central banks	11,750,000	10,917,449
c) Current accounts and demand deposits with banks	2,502,849	1,306,854
Total	14,949,542	12,976,582

The amount of EUR 11,750.0 mln reported in line b) Current accounts and sight deposits with Central Banks refers almost entirely to sight deposits with the ECB.

Section 2 - Financial assets designated at fair value through profit or loss - Item 20

2.1 Financial assets held for trading: breakdown

Item/Amounts	Total 31 12 2025				Total 31 12 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
A. Balance-sheet assets								
1. Debt securities	4,834,068	211,028	3,023	5,048,119	3,382,363	246,121	-	3,628,484
1.1 Structured securities	240,859	19,054	-	259,913	137,737	45,802	-	183,539
1.2 Other debt securities	4,593,209	191,974	3,023	4,788,206	3,244,626	200,319	-	3,444,945
2. Equity instruments	48,062	453	-	48,515	104,366	3,752	-	108,118
3. Units of UCITS	42,863	-	-	42,863	27,774	-	-	27,774
4. Loans	-	-	-	-	-	-	-	-
4.1 Repurchase agreements	-	-	-	-	-	-	-	-
4.2 Others	-	-	-	-	-	-	-	-
Total (A)	4,924,993	211,481	3,023	5,139,497	3,514,503	249,873	-	3,764,376
B. Derivatives								
1. Financial derivatives:	1,302	2,702,386	-	2,703,688	-	2,358,987	-	2,358,987
1.1 held for trading	1,302	2,629,073	-	2,630,375	-	2,288,383	-	2,288,383
1.2 fair value option	-	73,313	-	73,313	-	70,604	-	70,604
1.3 Others	-	-	-	-	-	-	-	-
2. Credit derivatives:	-	2,725	-	2,725	-	29	-	29
2.1 held for trading	-	2,725	-	2,725	-	29	-	29
2.2 fair value option	-	-	-	-	-	-	-	-
2.3 Others	-	-	-	-	-	-	-	-
Total (B)	1,302	2,705,111	-	2,706,413	-	2,359,016	-	2,359,016
Total (A+B)	4,926,295	2,916,592	3,023	7,845,910	3,514,503	2,608,889	-	6,123,392

The criteria adopted for the classification of financial instruments in the three levels of the “fair value hierarchy” are indicated in Section A.4 “Information on fair value” of Part A “Accounting Policies” of the notes to which reference is made. Pursuant to the provisions set out in IFRS 9 regarding the *derecognition* of financial assets, lines 1.1 Structured securities and 1.2 Other debt securities of the item “Cash assets” also include debt securities pledged in reverse repurchase agreements and in securities lending transactions carried out in respect of own securities recognised in the trading books.

The amount of Debt securities - Structured securities, under sub-item 1.1, amounted to EUR 259.9 mln as at 31 December 2025 (EUR 183.5 mln as at 31 December 2024) and also includes fixed-rate debt securities indexed, as an additional component, to inflation.

At the reporting date of these financial statements, the aggregate includes senior and mezzanine exposures assumed by the Bank in relation to third-party securitisation transactions for EUR 9.0 mln (EUR 24.4 mln as at 31 December 2024), recognised in line “1.2 Other debt securities”, of which EUR 6.0 mln in the level 2 column and EUR 3.0 mln in the level 3 column.

Derivatives connected with fair value option instruments are also classified as derivative instruments: these cover the risks inherent in funding measured at fair value arising from possible interest rate fluctuations and from the presence of embedded optional components in structured and fixed-rate bonds issued by the Bank (natural hedging). The positive fair value of these derivatives is shown in the table in line “B.1-1.2 – Fair value option”.

2.2 Financial assets held for trading: breakdown by borrower/issuer/counterparty

Items/Amounts	Total 31 12 2025	Total 31 12 2024
A. Balance sheet assets		
1. Debt securities	5,048,119	3,628,484
a) Central banks	-	-
b) Public entities	4,029,112	3,223,167
c) Banks	602,641	195,106
d) Other financial companies	267,951	150,834
<i>of which: insurance companies</i>	11,854	11,266
e) Non-financial companies	148,415	59,377
2. Equity instruments	48,515	108,118
a) Banks	5,749	2,984
b) Other financial companies	2,615	60,887
<i>of which: insurance companies</i>	834	56,840
c) Non-financial companies	40,151	44,247
d) Other issuers:	-	-
3. Units of UCITS	42,864	27,774
4. Loans	-	-
Total (A)	5,139,498	3,764,376
B. Derivatives		
a) Central counterparties	-	-
b) Others	2,706,413	2,359,015
Total (B)	2,706,413	2,359,015
Total (A+B)	7,845,911	6,123,391

The breakdown by debtor/issuer was carried out in accordance with criteria of classification by economic activity group and sector laid down by the Bank of Italy.

With regard to derivatives, it should be noted that the positive fair value of derivatives with customers is generated for approximately EUR 61.0 mln from balanced trading activity, aimed at providing financial protection services to customers of the Bank's network, while the remaining amount is generated from transactions with parties operating on the financial market who are classified as customers pursuant to the above classification criteria set by the Bank of Italy.

The following table adds details to line "A.3. Units of UCITS" of table 2.2 above.

Categories/Amounts	Total 31 12 2025	Total 31 12 2024
Equity	12,751	3,920
Exchange Traded Funds (ETF)	30,113	23,854
Total	42,864	27,774

2.3 Financial assets measured at fair value: breakdown

2.4 Financial assets measured at fair value: breakdown by borrower/issuer

Tables 2.3 and 2.4 were not completed since the Bank has no financial assets measured at fair value to report for either the current or previous year.

2.5 Other financial assets mandatorily measured at fair value: breakdown

Items	Total 31 12 2025				Total 31 12 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
1. Debt securities	-	-	16,977	16,977	-	-	49,854	49,854
1.1 Structured securities	-	-	-	-	-	-	-	-
1.2 Other debt securities	-	-	16,977	16,977	-	-	49,854	49,854
2. Equity instruments	-	-	13,645	13,645	-	-	1,236	1,236
3. Units of UCITS	-	-	219,309	219,309	-	-	258,984	258,984
4. Loans	-	-	129,876	129,876	-	-	143,417	143,417
4.1 Repurchase agreements	-	-	-	-	-	-	-	-
4.2 Others	-	-	129,876	129,876	-	-	143,417	143,417
Total	-	-	379,807	379,807	-	-	453,491	453,491

Line 1.2 “Other debt securities” includes EUR 13.8 mln relating to the securitisation of a portfolio of bad loans of the MPS Group, of which EUR 13.2 mln (EUR 27.9 mln as at 31 December 2024) relate to the mezzanine tranche and EUR 0.6 mln (EUR 0.6 mln as at 31 December 2024) relate to the junior tranche.

Line “3 Units of UCITS” includes, under level 3, UCITS units acquired in exchange for the disposal of NPE loans for EUR 94.2 mln (EUR 129.4 mln as at 31 December 2024) and the units in the Italia Recovery Fund (Ex Atlante) for EUR 5.1 mln (EUR 6.4 mln as at 31 December 2024). The same line also records positions in the real estate funds Etrusco Distribuzione and Democrito totalling EUR 86.8 mln (EUR 88.0 mln as at 31 December 2024).

Line 4 “Loans” consists of financial assets that must be mandatorily measured at fair value as a result of the failure to pass the SPPI test.

At the reporting date of these financial statements, the aggregate does not include any significant positions relating to equity securities deriving from the recovery of impaired financial assets.

2.6 Other financial assets mandatorily measured at fair value: breakdown by borrower/issuer

Voci/Valori	Total 31 12 2025	Total 31 12 2024
1. Equity instruments	13,645	1,236
<i>of which: banks</i>	-	-
<i>of which: other financial companies</i>	1,132	1,149
<i>of which: non-financial companies</i>	12,513	87
2. Debt securities	16,977	49,854
a) Central Banks	-	-
b) Public Entities	-	-
c) Banks	-	-
d) Other financial companies	16,530	31,205
<i>of which: insurance companies</i>	-	-
e) Non-financial companies	447	18,649
3. Units of UCITS	219,309	258,984
4. Loans	129,876	143,417
a) Central Banks	-	-
b) Public Entities	-	-
c) Banks	-	-
d) Other financial companies	-	-
<i>of which: insurance companies</i>	-	-
e) Non-financial companies	118,142	129,601
f) Families	11,734	13,816
Total	379,807	453,491

The main cumulative losses relating to equity securities of evidently poor credit quality referring to previous financial years are Compagnia Investimento e Sviluppo (EUR 3.8 mln), Newcolle S.r.l. (EUR 2.3 mln), Porto Industriale Livorno (EUR 1.9 mln). There were no write-downs on equity instruments of evidently poor credit quality carried out by the Bank during the year.

The breakdown by main category of UCITS is provided below.

Categories/Amounts	Total 31 12 2025	Total 31 12 2024
Hedge Funds	21	24
Private Equity	29,256	38,058
Real estate	95,861	96,567
Credit recovery funds	94,171	124,335
Total	219,309	258,984

With regard to the disclosure on mutual funds acquired as part of the sale of loans included in the previous table under “NPE loans”, please refer to the specific paragraph in Part E of the Notes to the Consolidated Financial Statements (Subsection E “Sale Transactions” point “C. Financial assets sold and fully derecognised”).

Section 3 - Financial assets designated at fair value through other comprehensive income

- Item 30

3.1 Other financial assets measured at fair value through other comprehensive income: breakdown

Items/Amounts	Total 31 12 2025				Total 31 12 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
1. Debt securities	1,660,093	-	1,209	1,661,302	2,162,397	1,343	-	2,163,740
1.1 Structured securities	930	-	-	930	34,581	-	-	34,581
1.2 Other debt securities	1,659,163	-	1,209	1,660,372	2,127,816	1,343	-	2,129,159
2. Equity instruments	-	9,479	165,613	175,092	-	8,039	165,581	173,620
3. Loans	-	-	-	-	-	-	-	-
Total	1,660,093	9,479	166,822	1,836,394	2,162,397	9,382	165,581	2,337,360

As a result of the provisions set out in IFRS 9 with regard to the derecognition of financial assets, line 1.2 also includes debt securities pledged in repos and securities lending transactions carried out in respect of own securities recognised under financial assets designated at fair value through other comprehensive income.

The reduction in the item Debt securities - Structured securities, under sub-item 1.1, of EUR 0.9 mln as at 31 December 2025 is due to the sale, during the year, of fixed-rate debt securities indexed to inflation for EUR 33.6 mln.

The line "1.2 Other debt securities" totalling EUR 1,660.4 mln – of which EUR 38.4 mln (EUR 126.8 mln as at 31 December 2024) subject to specific fair value hedging entirely against interest rate risk – mainly consists of Italian government securities for approximately EUR 813.4 mln, down from EUR 1,451.9 mln as at 31 December 2024 due to the sale on the market of some securities approaching maturity. The line also includes EUR 1.2 mln (EUR 1.3 mln as at 31 December 2024) of exposures relating to senior notes of securitisation transactions originated by third parties.

The line "2. Equity instruments" (Level 3 column) includes the EUR 137.5 mln investment in the capital of Bank of Italy.

At the reporting date of these financial statements, the aggregate does not include any significant positions relating to equity securities deriving from the recovery of impaired financial assets.

3.2 Other financial assets measured at fair value through other comprehensive income: breakdown by borrower/issuer

Items/Amounts	Total	Total
	31 12 2025	31 12 2024
1. Debt securities	1,661,302	2,163,740
a) Central banks	-	-
b) Public entities	1,611,476	1,897,389
c) Banks	46,225	225,194
d) Other financial companies	1,209	26,337
of which: Insurance companies	-	-
e) Non-financial companies	2,392	14,820
2. Equity instruments	175,092	173,620
a) Banks	152,932	151,739
b) Other issuers:	22,160	21,881
- other financial companies	6,933	11,232
of which: Insurance companies	-	-
- non-financial companies	11,817	10,635
- Others	3,411	14
3. Loans	-	-
Total	1,836,394	2,337,360

The main cumulative capital losses relating to equity instruments of evidently poor credit quality refer to the investee Aedes and were fully recognised in previous financial years, for an amount of EUR 0.5 mln.

During the course of the year, the Bank did not carry out further write-downs on equity instruments of clearly poor credit quality.

3.3. Other financial assets measured at fair value through other comprehensive income: gross value and total value adjustments

	Gross exposure					Overall value adjustments				Total Partial write-off (*)
	Stage 1		Stage 2	Stage 3	Purchased or originated credit impaired financial assets	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets	
		of which: low credit risk instruments								
Debt securities	1,660,676	1,654,523	-	3,896	-	583	-	2,687	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Total 31 12 2025	1,660,676	1,654,523	-	3,896	-	583	-	2,687	-	-
Total 31 12 2024	2,163,607	2,108,869	2,674	-	-	1,210	1,331	-	-	-

*Value to be presented for disclosure purposes

Section 4 - Financial assets measured at amortised cost - Item 40

4.1 Financial assets measured at amortised cost: breakdown of loans to banks

Type of transaction/Amount	Total 31 12 2025							
	Book value			Fair value				Total
	Stage 1 and Stage 2	Stage 3	purchased or originated credit impaired financial assets	Total	L1	L2	L3	
A. Loans to central banks	637,592	-	-	637,592	-	637,592	-	637,592
1. Time deposits	25,001	-	-	25,001	X	X	X	X
2. Compulsory reserve	581,087	-	-	581,087	X	X	X	X
3. Reverse repurchase agreements	31,504	-	-	31,504	X	X	X	X
4. Others	-	-	-	-	X	X	X	X
B. Loans to bank	3,444,358	5,120	-	3,449,478	2,883	3,360,379	5,120	3,368,382
1. Loans	2,488,924	5,120	-	2,494,044	-	2,488,000	5,120	2,493,120
1.1 Current accounts	-	-	-	-	X	X	X	X
1.2 Time deposits	419,679	-	-	419,679	X	X	X	X
1.3 Other loans	2,069,245	5,120	-	2,074,365	X	X	X	X
- Reverse repurchase agreements	941,814	-	-	941,814	X	X	X	X
- Finance leases	-	-	-	-	X	X	X	X
- Others	1,127,431	5,120	-	1,132,551	X	X	X	X
2. Debt securities	955,434	-	-	955,434	2,883	872,379	-	875,262
2.1 Structured securities	-	-	-	-	-	-	-	-
2.2 Other debt securities	955,434	-	-	955,434	2,883	872,379	-	875,262
Total	4,081,950	5,120	-	4,087,070	2,883	3,997,971	5,120	4,005,974

The line “Loans to central banks 2. Compulsory reserve” includes the balance of the compulsory reserve which, at the end of the financial year, amounted to EUR 581.1 mln (EUR 535.0 mln as at 31 December 2024). It should be noted that, in accordance with regulations on average maintenance levels, the end-of-period balance of the compulsory reserve may be subject to changes, also substantial, in relation to the Bank’s contingent treasury requirements.

The item “Loans to banks, 1.3 Other loans – Other”, totalling EUR 1,132.5 mln, includes security deposits of approximately EUR 916.9 mln.

The lines “B.1.2 Term deposits” and “B.2.2 Other debt securities” include, respectively, EUR 177.3 mln (EUR 196.9 mln as at 31 December 2024) and EUR 376.8 mln (EUR 428.3 mln as at 31 December 2024) of assets subject to specific fair value hedging for interest rate risk.

At the reporting date, the aggregate does not include the Bank senior, mezzanine and junior exposures with reference to own and third-party securitisations.

Type of transaction/Amount	Total 31 12 2024							
	Book value			Fair value				
	Stage 1 and Stage 2	Stage 3	purchased or originated credit impaired financial assets	Total	L1	L2	L3	Total
A. Loans to central banks	560,821	-	-	560,821	-	560,821	-	560,821
1. Time deposits	25,001	-	-	25,001	X	X	X	X
2. Compulsory reserve	535,006	-	-	535,006	X	X	X	X
3. Reverse repurchase agreements	-	-	-	-	X	X	X	X
4. Others	814	-	-	814	X	X	X	X
B. Loans to bank	3,214,697	8,033	-	3,222,730	2,945	3,124,299	8,033	3,135,277
1. Loans	2,477,108	8,033	-	2,485,141	-	2,476,529	8,033	2,484,562
1.1 Current accounts	-	-	-	-	X	X	X	X
1.2 Time deposits	455,458	-	-	455,458	X	X	X	X
1.3 Other loans	2,021,650	8,033	-	2,029,683	X	X	X	X
- Reverse repurchase agreements	856,438	-	-	856,438	X	X	X	X
- Finance leases	-	-	-	-	X	X	X	X
- Others	1,165,212	8,033	-	1,173,245	X	X	X	X
2. Debt securities	737,589	-	-	737,589	2,945	647,770	-	650,715
2.1 Structured securities	-	-	-	-	-	-	-	-
2.2 Other debt securities	737,589	-	-	737,589	2,945	647,770	-	650,715
Total	3,775,518	8,033	-	3,783,551	2,945	3,685,120	8,033	3,696,098

4.2 Financial assets measured at amortised cost breakdown of loans to customers

Type of transaction/Amount	31 12 2025							
	Book value				Fair value			
	Stage 1 and Stage 2	Stage 3	purchased or originated credit impaired financial assets	Total	L1	L2	L3	Total
1. Loans	78,354,050	1,467,811	1,770	79,823,631	-	7,196,024	71,716,724	78,912,748
1.1. Current accounts	2,526,087	76,046	97	2,602,230	X	X	X	X
1.2. Reverse repurchase agreements	7,194,803	-	-	7,194,803	X	X	X	X
1.3. Mortgage	53,652,123	1,169,840	1,423	54,823,386	X	X	X	X
1.4. Credit cards, personal loans and fifth-of-salary backed loans	1,501,722	6,689	-	1,508,411	X	X	X	X
1.5. Finance lease	814,035	80,119	-	894,154	X	X	X	X
1.6. Factoring	3,199,157	16,187	-	3,215,344	X	X	X	X
1.7. Other transactions	9,466,123	118,930	250	9,585,303	X	X	X	X
of which: operating receivable	5,114	-	-	5,114	€	€	€	€
of which: leased assets under construction	33,026	1,945	-	34,971	-	-	-	-
2. Debt securities	10,296,099	-	-	10,296,099	8,929,036	1,163,952	-	10,092,988
2.1. Structured securities	1,036,489	-	-	1,036,489	1,038,539	15,518	-	1,054,057
2.2. Other debt securities	9,259,610	-	-	9,259,610	7,890,497	1,148,434	-	9,038,931
Total	88,650,149	1,467,811	1,770	90,119,730	8,929,036	8,359,976	71,716,724	89,005,736

“Loans to customers” also includes operating receivables for EUR 5.1 mln (EUR 3.9 mln as at 31 December 2024) – other than those connected with the payment for the supply of non-financial goods and services, included under asset item 150 “Other assets” – subject to the provisions of IFRS 9, paragraph 5.5.15 a) i).

The column “Purchased or originated credit impaired” for EUR 1.8 mln (EUR 2.1 mln as at 31 December 2024) is made up of EUR 1.0 mln of assets originated from restructuring agreements on non-performing positions. Line “2.1 Structured securities” amounting to EUR 1,036.5 mln as at 31 December 2025 (EUR 1,103.9 mln as at 31 December 2024) mainly relates to fixed-rate debt securities indexed, as an additional component, to inflation.

Line “2.2 Other debt securities” equal to EUR 9,259.6 mln mainly comprises Italian Government securities for EUR 7,545.7 mln (EUR 7,253.1 mln as at 31 December 2024). The aggregate also includes, for EUR 700.2 mln (EUR 818.7 mln as at 31 December 2024), the senior notes relating to a securitisation of a portfolio of bad loans of the MPS Group. The line also includes bonds not listed in active markets issued mainly by local government bodies, e.g. municipal bonds (it.: Buoni Ordinari Comunali, BOC).

Finally, it should be noted that the total debt securities of EUR 10,296.1 mln include EUR 2,125.1 mln (EUR 3,286.5 mln as at 31 December 2024) in securities subject to specific fair value hedging for interest rate risk and EUR 2,177.2 mln (EUR 1,474.6 mln as at 31 December 2024) in floating-rate securities subject to specific cash flow hedging for the risk of changes in expected cash flows.

“Loans to customers” include loans disbursed with funds made available by the Government or by other public institutions, with the Bank adopting partial or total risk. These funds are managed under the agreements signed by the Bank with Cassa Depositi e Prestiti (hereinafter CDP), in direct cooperation with ABI and with regional financial institutions. In particular, the Bank has subscribed to the agreements specifically structured by ABI and CDP for the support of the business sector, for the support of individuals and in favour of the local economy in the case of natural disasters. Except for the latter agreement, whose subsidized loans are backed by State guarantee, the loans disbursed by the Bank are characterised by conditions released from the CDP funding, subject to independent negotiation between the parties, and are mandatorily assigned as collateral to CDP. In 2025, the Bank did not use CDP funds to support the business sector, but used exclusively funds dedicated to supporting territories for natural disasters.

Conversely, with regard to management of resources made available through regional or national measures, the Bank's operations refer to specific agreements stipulated by the Bank with the regional financial institutions, such as Veneto Sviluppo, Finlombarda, Finpiemonte and Puglia Sviluppo, or other regional fund managers (Artigiancredito per il Fondo Multiscopo of the Emilia Romagna region), or with CDP regarding alternative instruments such as the so-called "Rotation Funds". The resources are intended to encourage and support companies operating in certain areas and in specific economic sectors. These loans are generally disbursed with part of the funding made available with public funds and part with the Bank's own resources (co-financing). The funding with public funds varies according to the initiative to be financed: the percentage is defined by specific Regional Laws or Resolutions and, as a rule, the public funds must be integrated with the Bank's own resources to ensure the total coverage of the expenditure.

During 2025, the Bank also took part in the "Blending BEI Toscana" initiative, a programme of the Tuscany Region, in collaboration with the European Investment Bank (EIB), which provides grants to reduce interest and guarantee fees on bank loans to Tuscan micro, small and medium-sized enterprises (MPMI) and professionals aimed at promoting expansion, diversification, productive consolidation, and ecological, technological and digital transitions.

Finally, it should be noted that, in line with the Bank of Italy communication of the Bank of Italy of 14 March 2023 "Update of the provisions of Circular no. 262 - Bank financial statements: layouts and rules for compilation - concerning the impacts of COVID-19 and of the measures to support the economy", the Bank has provided a total of Loans guaranteed by the State (in application of the Law Decree c.d. "Liquidity" Decree no. 23 of 8 April 2020) for a total amount of EUR 11.5 bn and a gross outstanding amount as at 31 December 2025 of EUR 2,580.3 mln, of which EUR 388.1 mln relate to exposures classified as non-performing (EUR 4,815.1 mln, of which EUR 553.2 mln were non-performing as at 31 December 2024).

Type of transaction/Amount	31 12 2024							
	Book value				Fair value			
	Stage 1 and Stage 2	Stage 3	purchased or originated credit impaired financial assets	Total	L1	L2	L3	Total
1. Loans	75,540,295	1,851,755	2,156	77,394,206	-	7,032,613	70,305,536	77,338,149
1.1. Current accounts	2,630,702	61,847	197	2,692,746	X	X	X	X
1.2. Reverse repurchase agreements	7,035,199	-	-	7,035,199	X	X	X	X
1.3. Mortgage	49,604,523	1,513,188	1,645	51,119,356	X	X	X	X
1.4. Credit cards, personal loans and fifth-of-salary backed loans	1,433,304	6,137	-	1,439,441	X	X	X	X
1.5. Finance lease	2,411,284	103,748	-	2,515,032	X	X	X	X
1.6. Factoring	2,450,177	15,666	-	2,465,843	X	X	X	X
1.7. Other transactions	9,975,106	151,169	314	10,126,589	X	X	X	X
of which: operating receivable	3,944	-	-	3,944	-	-	-	-
of which: leased assets under construction	91,298	1,984	-	93,282	-	-	-	-
2. Debt securities	10,237,664	-	-	10,237,664	8,552,855	1,285,620	-	9,838,475
2.1. Structured securities	1,103,945	-	-	1,103,945	1,020,002	-	-	1,020,002
2.2. Other debt securities	9,133,719	-	-	9,133,719	7,532,853	1,285,620	-	8,818,473
Total	85,777,959	1,851,755	2,156	87,631,870	8,552,855	8,318,233	70,305,536	87,176,624

4.3 Financial assets measured at amortised cost: breakdown by borrower/issuer of loans to customers

Type of transaction/Amount	Total 31 12 2025			Total 31 12 2024		
	Stage 1 and Stage 2	Stage 3	Purchased or originated credit impaired	Stage 1 and Stage 2	Stage 3	Purchased or originated credit impaired
1. Debt securities	10,296,098	-	-	10,237,664	-	-
a) Public entities	9,274,329	-	-	9,111,266	-	-
b) Other financial companies	788,323	-	-	919,158	-	-
<i>of which: insurance companies</i>	62,502	-	-	62,492	-	-
c) Non-financial companies	233,446	-	-	207,240	-	-
2. Loans to:	78,354,051	1,467,812	1,770	75,540,295	1,851,755	2,156
a) Public Entities	1,389,946	8,950	-	1,518,697	9,441	-
b) Other financial companies	9,594,655	3,576	-	9,924,092	2,025	-
<i>of which: insurance companies</i>	16,492	-	-	7,887	-	-
c) Non-financial companies	32,100,885	939,438	1,660	31,459,230	1,156,761	1,950
d) Families	35,268,565	515,848	110	32,638,276	683,528	206
Total	88,650,149	1,467,812	1,770	85,777,959	1,851,755	2,156

4.4 Financial assets measured at amortised cost: gross value and total value adjustments

	Gross exposure					Value adjustments				Total Partial write-off (**)
	Stage 1		Stage 2	Stage 3	purchased or originated credit impaired	Stage 1	Stage 2	Stage 3	purchased or originated credit impaired	
		of which: low credit risk instruments								
Debt securities	10,556,099	10,247,017	700,492	-	-	4,746	312	-	-	-
Loans	72,851,299	-	9,129,290	2,878,575	2,616	168,956	331,068	1,405,643	846	83,407
Total 31 12 2025	83,407,398	10,247,017	9,829,782	2,878,575	2,616	173,702	331,380	1,405,643	846	83,407
Total 31 12 2024	78,804,473	9,809,348	11,218,637	3,564,365	2,920	116,983	352,650	1,704,577	764	19,475

** Value to be presented for disclosure purposes

For financial assets included in the stage 3 column and for purchased or originated credit impaired financial assets, the gross value corresponds to the book value gross of the relative overall value adjustments; the latter are equal to the difference between the expected recovery value and the gross book value. For impaired financial assets purchased, the gross value corresponds to the purchase price and the adjustments correspond to the difference between the expected recovery value and the gross book value.

Section 5 - Hedging derivatives - Item 50

5.1. Hedging derivatives: breakdown by type of contract and underlying asset

	Fair value 31 12 2025				Total Net Value 31 12 2025
	Level 1	Level 2	Level 3	Total	
A. Financial derivatives	-	720,717	-	720,717	18,699,140
1) Fair value	-	720,632	-	720,632	18,365,140
2) Cash flows	-	85	-	85	334,000
3) Foreign investments	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-
1) Fair value	-	-	-	-	-
2) Cash flows	-	-	-	-	-
Total	-	720,717	-	720,717	18,699,140

key

NV = Notional or Nominal Value

The table shows the positive book value (fair value) of hedging derivatives for hedges carried out through hedge accounting.

The year-on-year increase in the positive fair value of financial derivatives used for fair value hedges is mainly attributable to the opening of certain fair value hedge relationships.

Information on the underlying strategies and objectives of hedge transactions can be found in the Section “Market risks” of Part E - “Information on Risks and hedging policies”.

	Fair value 31 12 2024				Total Net Value 31 12 2024
	Level 1	Level 2	Level 3	Total	
A. Financial derivatives	-	59,384	-	59,384	10,462,458
1) Fair value	-	42,467	-	42,467	9,070,458
2) Cash flows	-	16,917	-	16,917	1,392,000
3) Foreign investments	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-
1) Fair value	-	-	-	-	-
2) Cash flows	-	-	-	-	-
Total	-	59,384	-	59,384	10,462,458

key

NV = Notional or Nominal Value

5.2 Hedging derivatives: breakdown by hedged portfolios and type of hedging

Transaction/Type of hedge	Fair Value						Cash Flows			Investment's Foreign	Total 31 12 2025
	Micro-hedge						Macro-hedge	Micro-hedge	Macro-hedge		
	debt securities and interest rate	equity instruments and stock indices	currencies and gold	Credit	Commodities	Others					
1. Financial assets measured at fair value through other comprehensive income	6,849	-	-	-	X	X	X	-	X	X	6,849
2. Financial assets measured at amortised cost	97,946	X	-	-	X	X	X	85	X	X	98,031
4. Portfolio	X	X	X	X	X	X	571,560	X	-	X	571,560
5. Other transactions	-	-	-	-	-	-	X	-	X	-	-
Total assets	104,795	-	-	-	-	-	571,560	85	-	-	676,440
1. Financial liabilities	44,277	X	-	-	-	-	X	-	X	X	44,277
2. Portfolio	X	X	X	X	-	X	-	X	-	X	-
Total liabilities	44,277	-	-	-	-	-	-	-	-	-	44,277
1. Expected transactions	X	X	X	X	X	X	X	-	X	X	-
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	-	X	-	-	-
Total	149,072	-	-	-	-	-	571,560	85	-	-	720,717

The table shows the positive fair values of hedging derivatives, classified by hedged assets or liabilities and type of hedging implemented.

In particular, for financial assets, fair value micro-hedging was used to hedge against interest rate risk on securities classified in the portfolio of “financial assets measured at fair value through other comprehensive income”, in order to immunise them from possible unfavourable changes in interest rate trends; Fair value macro-hedging of interest rate risk refers to hedges of fixed-rate mortgage portfolios and optional components implicit in floating-rate mortgage portfolios. Cash flow micro-hedges, on the other hand, hedge against the risk that movements in the interest rate curve will reduce future cash flows on floating-rate debt securities classified within the “Financial assets measured at amortised cost” portfolio.

With reference to financial liabilities, it should be noted that specific fair value hedges of interest rate risk refer to hedges on liabilities represented by securities.

Section 6 - Change in value of macro-hedged financial assets - Item 60

6.1 Change in value of hedged assets: breakdown by hedged portfolios

Changes in value of hedged assets / Group components	Total 31 12 2025	Total 31 12 2024
1. Positive changes	128,699	158,844
1.1 of specific portfolios:	128,699	158,844
a) loans and receivables	128,699	158,844
b) financial assets measured at fair value through other comprehensive income	-	-
1.2 overall	-	-
2. Negative changes	1,036,460	532,344
2.1 of specific portfolios:	1,036,460	532,344
a) loans and receivables	1,036,460	532,344
b) financial assets measured at fair value through other comprehensive income	-	-
2.2 overall	-	-
Total	(907,761)	(373,500)

The value adjustment concerns mainly fixed and cap/floor floating rate mortgage loan portfolios that were fair value macro-hedged with derivatives to counter possible interest rate risk-induced fluctuations in value. As this is a macro-hedge, any gain or loss on the hedged item attributable to the risk hedged may not directly adjust the value of said item (unlike in micro-hedging) but must be presented in this separate line item of the assets. The amounts in this item must be removed from the balance sheet when the relevant assets or liabilities are derecognised.

The fair value of the corresponding hedging derivatives is shown in Table 5.2 (assets) or Table 4.2 (liabilities), both entitled "Hedging derivatives: breakdown by hedged portfolio and type of hedging", in the "Macro-hedging" column.

The assets subject to macro hedging of interest rate risk refer to fixed rate and variable rate mortgages with cap/floor included in balance sheet item 40 "Financial assets measured at amortised cost – Loans to customers", and amount to a total of EUR 15,880.9 mln as at 31 December 2025 (EUR 9,173.7 mln as at 31 December 2024). The sum of this amount and the one shown in the table expresses the book value of these receivables, adjusted for profit or loss attributable to the risk hedged.

Section 7 – Equity investments – Item 70

7.1 Equity investments: information on shareholding

Company Name	Headquarters	Registered Office	Share holding %	Available votes %
A. Subsidiaries				
Cirene Finance S.r.l.	Conegliano (TV)	Conegliano (TV)	60.000	
G.Imm.Astor s.r.l.	Lecce	Lecce	52.000	
Magazzini Generali Fiduciari di Mantova S.p.a.	Mantua	Mantua	100.000	
Mediobanca S.p.a.	Milan	Milan	86.348	87.07**
Monte paschi banque S.A.	Paris	Paris	100.000	
Monte paschi fiduciaria S.p.a.	Siena	Siena	100.000	
Mps covered bond 2 S.r.l.	Conegliano (TV)	Conegliano (TV)	90.000	
Mps covered bond S.r.l.	Conegliano (TV)	Conegliano (TV)	90.000	
Mps Tenimenti Poggio Bonelli e Chigi Saracini soc. agricola S.p.a.	Castelnuovo Barardenga (SI)	Castelnuovo Barardenga (SI)	100.000	
Siena mortgages 07 5 S.p.a.	Conegliano (TV)	Conegliano (TV)	7.000	
Siena PMI 2016 S.r.l.	Conegliano (TV)	Conegliano (TV)	10.000	
Wise Dialog Bank S.p.a. in breve WIDIBA	Milan	Milan	100.000	
B. Companies under joint control				
Immobiliare Novoli S.p.a.	Florence	Florence	50.000	
C. Companies under significant influence				
Axa Mps Assicurazioni danni S.p.a.	Rome	Rome	50.000	
Axa Mps Assicurazioni vita S.p.a.	Rome	Rome	50.000	
Fidi Toscana S.p.a.	Florence	Florence	27.460	
Microcredito di Solidarieta' S.p.a.	Siena	Siena	40.000	

* The investee Monte Paschi Banque S.A. is classified as a discontinued operation pursuant to IFRS 5.

** This figure was calculated by deducting the 6,745,422 treasury shares held by Mediobanca from the total number of outstanding shares of Mediobanca equal to no. 813,279,689.

Equity investments in subsidiary companies, jointly controlled companies and companies under significant influence are valued at cost. The classification criteria of the equity investments in subsidiaries, jointly controlled companies and companies subject to significant influence are illustrated in Part A “Accounting policies” of these Notes to the Financial Statements.

For further details relating to movements, please refer to the comments at the foot of table “7.5 - Equity investments annual changes”.

7.2 Significant equity investments: book value, fair value and dividends earned

For information on this paragraph, please refer to the corresponding section of the Notes to the Consolidated Financial Statements.

7.3 Significant equity investments: accounting information

For information on this paragraph, please refer to the corresponding section of the Notes to the Consolidated Financial Statements.

7.4 Non-significant equity investments: accounting information

For information on this paragraph, please refer to the corresponding section of the Notes to the Consolidated Financial Statements.

7.5 Equity investments: annual changes

	Total 31 12 2025	Total 31 12 2024
A. Opening balance	662,090	764,873
B. Increases	15,520,447	19
B.1 Purchases	15,520,447	19
<i>Of which business combinations</i>	<i>15,520,447</i>	
B.2 Write-backs	-	-
B.3 Revaluations	-	-
B.4 Other increases	-	-
C. Decreases	405	102,802
C.1 Sales	-	-
C.2 value adjustment	-	-
C.3 Depreciation	-	-
C.4 Other decreases	405	102,802
D. Closing balance	16,182,132	662,090
E. Total revaluation	-	-
F. Total value adjustments	74,750	75,845

Line B.1 “Purchases” refers to the acquisition of the equity investment in Mediobanca S.p.A. through a public tender and exchange offer launched by the Bank, totalling EUR 15,520 mln, also taking into account the related ancillary costs. The acquisition cost corresponds to the sum of the fair value of the shares issued by the Bank as part of the capital increase in support of the public offer (OPAS) -equal to the closing price of the MPS share on 12 September 2025, the last price available before the OPAS took effect - and the cash consideration offered to Mediobanca shareholders, totalling EUR 15,520 mln, including the ancillary costs incurred for the acquisition of the equity investment.

In line C.4 “Other changes”, the amount of EUR 0.4 mln refers to the derecognition of the equity investment held in the subsidiary Aiace Reoco Srl, following the completion of the voluntary liquidation procedure.

7.6 Covenants on equity investments in jointly controlled companies

For information on this paragraph, please refer to the corresponding section of the Notes to the Consolidated Financial Statements.

7.7 Covenants on equity investments in companies under significant influence

For information on this paragraph, please refer to the corresponding section of the Notes to the Consolidated Financial Statements.

7.8 Significant restrictions

For information on this paragraph, please refer to the corresponding section of the Notes to the Consolidated Financial Statements.

7.9 Other information

For information on this paragraph, please refer to the corresponding section of the Notes to the Consolidated Financial Statements.

Impairment tests on equity investments

As required by IAS/IFRS, impairment tests were carried out on equity investments in subsidiaries, associated companies and companies subject to joint control to verify whether there is objective evidence of impairment suggesting that the book value of these assets might not be entirely recoverable. The process of recognising impairment involves verifying the presence of indicators of possible impairment and calculating any write-down. For further details, please refer to Part A of these Notes to the Financial Statements, paragraph "Use of estimates and assumptions - Methods for determining impairment of equity investments". In the presence of a breach of the impairment indicators, the recoverable amount was determined through the adoption of two distinct approaches:

- for companies without positive income or without a multi-year forecast plan, a valuation method based on the company's Shareholders' equity as at 31 December 2025 was used;
- for companies with positive income and/or a multi-year forecast plan, a valuation method based on the discounting of dividend cash flows distributable by the investee company (DDM) was used, with the exception of AXA MPS Assicurazioni Vita, for which the Appraisal Value method was used.

For the subsidiary Mediobanca, the valuation for the impairment was performed indirectly as part of the valuation of goodwill at the MPS Group consolidated level. Specifically, pending the identification of the various business units, the test was performed on a single Cash Generating Unit (IAS 36) applying a Dividend Discount Method considering Mediobanca's economic and financial projections for the period June 2025–June 2028, based on the business plan disclosed to the market on 27 June 2025. Based on the analyses performed, the value of the provisional goodwill arising from the acquisition transaction was confirmed and, consequently, the carrying amount of the controlling equity investment recognised in the Bank's separate financial statements was also confirmed.

Similarly, for the subsidiary Widiba, the valuation is performed indirectly as part of the impairment test of the single Cash Generating Unit (IAS 36) identified at consolidated level, prior to the acquisition of Mediobanca, within the goodwill impairment test; for the valuations, the results achieved by the subsidiary in 2025 were used and, for the estimate of future results, the 2026–2027 projections underlying the RAS 2025, approved by the Board of Directors on 5 February 2025.

The analyses carried out for the current year, as well as for the previous year, did not highlight any need to make value adjustments to the equity investment.

For further details on how goodwill impairment tests were carried out, please refer to the relevant paragraph in the Notes to the Consolidated Financial Statements.

Section 8 - Property, plant and equipment - Item 80

8.1 Property, plant and equipment used in the business: breakdown of assets valued at cost

Asset/Amount	Total	
	31 12 2025	31 12 2024
1. Assets owned	179,236	182,368
a) land	-	-
b) buildings	-	-
c) furniture and furnishings	127,233	127,031
d) electronic systems	40,012	38,720
e) other	11,991	16,617
2. Right of use acquiring through leasing	168,768	148,084
a) land	-	-
b) buildings	163,853	147,735
c) furniture and furnishings	-	-
d) electronic systems	1,579	-
e) other	3,336	349
Total	348,004	330,452

All the Bank's property, plant and equipment are measured at cost, with the exception of land and buildings, for which the Bank has applied the revaluation method.

Item 1 "Assets owned –c) movables" includes artworks for EUR 119.4 mln (EUR 119.4 mln at 31 December 2024).

The rights of use acquired through leases mainly relate to lease contracts for branch premises and spaces used to host ATMs or internal offices, and to rental contracts for corporate IT platforms.

As at the reporting date of these Financial Statements, as well as in the comparison financial year, there are no property, plants and equipment acquired through the enforcement of guarantees.

8.2 Property, plant and equipment held for investment: breakdown of assets valued at cost

There were no assets measured at cost.

8.3 Property, plant and equipment used in the business: breakdown of revalued assets

Asset/Amount	Total 31 12 2025				Total 31 12 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
1. Assets owned	-	-	1,354,321	1,354,321	-	-	1,403,453	1,403,453
a) land	-	-	767,101	767,101	-	-	795,310	795,310
b) buildings	-	-	587,220	587,220	-	-	608,143	608,143
2. Right of use acquiring through leasing	-	-	-	-	-	-	-	-
Total	-	-	1,354,321	1,354,321	-	-	1,403,453	1,403,453

Land and buildings classified as tangible assets used in the business are valued according to the restated value criterion, for valuation subsequent to initial recognition. The line "land" expresses the value of land separately from the value of buildings.

As at 31 December 2025, the Bank has granted operating leases of owned assets for functional use totalling EUR 8.4 mln, entirely attributable to the categories a) land, b) buildings. For more details on leasing activities, see Part M of these Notes to the Financial Statements.

There were no property, plant and equipment obtained by means of financial leases or through the enforcement of guarantees at the reporting date of these Financial Statements, nor for the comparative financial year.

8.4 Property, plant and equipment held for investment: breakdown of assets measured at fair value

Asset/Amount	Total 31 12 2025				Total 31 12 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
1. Assets owned	-	-	244,386	244,386	-	-	286,681	286,681
a) land	-	-	89,503	89,503	-	-	114,904	114,904
b) buildings	-	-	154,883	154,883	-	-	171,777	171,777
2. Right of use acquiring through leasing	-	-	-	-	-	-	-	-
Total	-	-	244,386	244,386	-	-	286,681	286,681
<i>of which: obtained through the enforcement of the guarantees received</i>	-	-	23,633	23,633	-	-	27,844	27,844

Assets measured at fair value consist of owned real estate not used for business operations. In this regard, it should be noted that the Bank does not hold investment assets represented by rights of use acquired through leases.

As at 31 December 2025, the Bank granted operating leases on owned investment property totalling EUR 43.2 mln, entirely attributable to the categories a) land, b) buildings. For more information on lease assets, see Part M of these Notes to the Financial Statements.

The criteria for classification of property, plant and equipment as an investment property pursuant to IAS 40 are described in the accounting policies, to which reference is made. The disclosure required by IAS 40 paragraph 75 letter c) is not provided, as the classification is not difficult.

At the reporting date of these financial statements, or for the year of comparison, there were no cases under paragraph 75 letter g), h) of IAS 40 attributable to: restrictions on the feasibility of investment properties or on the remittance of income and collections related to the disposal; contractual obligations for the acquisition, construction or development of investment property or for repairs, maintenance or improvements.

8.5 Inventories of property, plant and equipment governed by IAS 2: breakdown

Assets/Amounts	Total	
	31 12 2025	31 12 2024
1. Inventories of property, plant and equipment obtained through enforcement of the guarantees	-	-
a) Land	-	-
b) Buildings	-	-
c) Furniture and furnishings	-	-
d) Electronic systems	-	-
e) Others	-	-
2. Others inventories of property, plant and equipment	20,871	22,359
Total	20,871	22,359

“Other inventories of property, plant and equipment” refer to properties of former subsidiary MPS Immobiliare S.p.A., merged by incorporation in 2014.

8.6 Property, plant and equipment used in the business: annual changes

	Land	Buildings	Furniture and furnishings	Electronic systems	Others	Total 31 12 2025
A. Gross opening balance	827,869	1,485,135	508,574	854,403	507,600	4,183,581
A.1 Total net decrease	32,559	729,257	381,543	815,683	490,634	2,449,676
A.2 Net opening balance	795,310	755,878	127,031	38,720	16,966	1,733,905
B. Increases	7,576	91,269	3,080	18,109	5,806	125,840
B.1 Purchases	-	19,458	3,080	17,937	5,432	45,907
B.2 Capitalized expenditure on improvements	-	7,459	-	-	-	7,459
B.3 Write-backs	-	-	-	-	-	-
B.4 Increases in fair value booked to:	7,576	8,277	-	-	-	15,853
a) shareholders' equity	4,792	5,222	-	-	-	10,014
b) profit and loss	2,784	3,055	-	-	-	5,839
B.5 Exchange gains	-	-	-	-	-	-
B.6 Transfers from properties held for investment	-	-	-	-	-	-
B.7 Other increases	-	56,075	-	172	374	56,621
C. Decreases	35,785	96,074	2,878	15,238	7,444	157,419
C.1 Sales	10,597	10,743	-	172	-	21,512
C.2 Depreciation	-	59,850	2,744	15,020	7,158	84,772
C.3 Impairment losses booked to:	-	1,487	15	46	35	1,583
a) shareholders' equity	-	-	-	-	-	-
b) profit and loss	-	1,487	15	46	35	1,583
C.4 Decreases in fair value booked to:	11,880	7,870	-	-	-	19,750
a) shareholders' equity	9,559	3,098	-	-	-	12,657
b) profit and loss	2,321	4,772	-	-	-	7,093
C.5 Exchange losses	-	-	-	-	-	-
C.6 Transfer to:	1,753	4,132	-	-	-	5,885
a) tangible asset held for investment	1,175	2,818	-	-	-	3,993
b) Non-current assets and groups of assets held for sale and disposal groups	578	1,314	-	-	-	1,892
C.7 Other decreases	11,555	11,992	119	-	251	23,917
D. Net closing balance	767,101	751,073	127,233	41,591	15,327	1,702,325
D.1 Total net decreases	32,559	784,706	383,854	830,511	495,960	2,527,590
D.2 Gross closing balance	799,660	1,535,779	511,087	872,102	511,287	4,229,915
E. Carried at cost	525,107	649,313	-	-	-	1,174,420

The furniture, electronic systems and property, plant and equipment included in the "Other" column are valued at cost. On the other hand, owned land and buildings are valued according to the restated value method, for valuation after initial recognition at cost.

Line B.4 "Positive changes in fair value" shows total changes of EUR 15.8 mln, recognised in the Income statement for EUR 5.8 mln as write-backs following previous impairment losses and recognised in valuation reserves for EUR 10.0 mln. Line C.4 "Negative changes in fair value" shows total changes of EUR 19.7 mln, of which EUR 7.1 mln were recognised in the Income statement and EUR 12.6 mln in the pre-existing valuation reserves. These changes result from the update of the value of real estate assets attributable to IAS 16 properties carried out as at 31 December 2025. For details of the valuation methodologies, see paragraph "Fair value level 2 and 3: measurement techniques and inputs used" in Part A of these Notes to the Financial Statements.

Line C3 "Impairment losses charged to: lett (b) income statement" shows the impairment on rights of use on properties.

Lines "B.7 – Other changes" and "C.7 – Other changes", in the column "buildings", respectively show the increases and decreases related to the rights of use of some properties, resulting from mergers, renewals and renegotiations of contracts finalised during the year (see table 8.6 a.). The same lines also show in the "buildings" and "land" column the transfers of value between the "building" component and that of the "land" of the same property, in relation to the fact that the unit of measurement considered in order to determine the valuation effects, to be recognised in shareholders' equity or in the income statement based on the sign, is the individual property. In this regard, it must, in fact, be specified that the opening of the single property between the two components ("land" and "building") is relevant for the purpose of calculating depreciation, depending on the different deterioration that characterises them; the aforementioned opening, on the other hand, is not relevant for the purpose of a separate determination of the valuation effects, taking into account that the two components of the same property cannot be sold separately.

Line C.6 mainly refers, under letter a) "Transfers to property, plant and equipment held for investment", to owned properties reclassified following a change in the intended use of the predominant portion of the property, and under letter b) "Non-current assets and disposal groups", to properties for which the recovery of value will be achieved through a sale transaction.

Line E. - "Carried at cost" was given a value for land and buildings for business use; as per the Bank of Italy's instructions, it only needs to be completed for assets measured at fair value.

8.6 a Property, plant and equipment used in the business - rights of use acquired: annual changes

	Land	Buildings	Furniture and furnishings	Electronic systems	Others	Total 31 12 2025
A. Gross opening balance	-	380,547	-	19,023	6,296	405,866
A.1 Net opening balance	-	147,735	-	-	349	148,084
A.1 Total net decrease	-	232,812	-	19,023	5,947	257,782
B. Increases	-	64,117	-	1,678	4,132	69,927
B.1 Purchases	-	19,458	-	1,678	3,757	24,893
B.2 Capitalized expenditure on improvements	-	-	-	-	-	-
B.6 Transfers from properties held for investment	-	-	-	-	-	-
B.7 Other increases	-	44,659	-	-	375	45,034
C. Decreases	-	47,999	-	99	1,145	49,243
C.1 Sales	-	-	-	-	-	-
C.2 Depreciation	-	34,521	-	99	945	35,565
C.3 Impairment losses booked to:	-	1,486	-	-	-	1,486
a) shareholders' equity	-	-	-	-	-	-
b) profit and loss	-	1,486	-	-	-	1,486
C.7 Other decreases	-	11,992	-	-	200	12,192
D. Net closing balance	-	163,853	-	1,579	3,336	168,768
D.1 Total net decreases	-	262,933	-	19,122	5,277	287,332
D.2 Gross closing balance	-	426,786	-	20,701	8,613	456,100
E. Carried at cost	-	-	-	-	-	-

The outcome of the impairment test performed as at 31 December 2025 on rights of use in respect of properties led to the recognition of an impairment loss of EUR 1.0 mln which, together with the write-down of rights of use in respect of properties of EUR 0.5 mln following branch closures, is recognised under income statement item 210 "Value adjustments/recoveries on property, plant and equipment" and shown in the above table in line "C.3 Impairment losses recognised in profit or loss".

Line B.1 "Purchases" includes the right of use relating to the stipulation of lease agreements on real estate.

In line B.7 "Other changes", the changes in the book value of rights of use resulting from the renewal of existing contracts are included.

"Other decreases" in line C.7 are mainly due to:

- renegotiations of the economic terms of existing contracts, agreed during the financial year;
- the release of properties or portions of properties as part of the reorganization of spaces.

8.7 Property, plant and equipment held for investment: annual changes

	31 12 2025		
	Lands	Building	Total
A. Opening balance	114,904	171,777	286,681
B Increases	3,587	14,902	18,489
B.1 Purchases	-	-	-
B.2 Capitalized expenditure on improvements	-	1,601	1,601
B.3 Increases in fair value	2,412	3,367	5,779
B.4 Write-backs	-	-	-
B.5 Exchange gains	-	-	-
B.6 Transfers from property used in the business	1,175	2,818	3,993
B.7 Other increases	-	7,116	7,116
C. Decreases	28,988	31,796	60,784
C.1 Sales	778	1,679	2,457
C.2 Depreciation	-	-	-
C.3 Decreases in fair value	10,994	15,566	26,560
C.4 Impairment losses	-	-	-
C.5 Exchange losses	-	-	-
C.6 Transfers to other asset potfolios	10,872	14,532	25,404
a) properties used in the business	-	-	-
b) Non-current assets held for sale and disposal groups	10,872	14,532	25,404
C.7 Other decreases	6,344	19	6,363
D. Closing balance	89,503	154,883	244,386
E. Designated at fair value	-	-	-

As at 31 December 2025, assets held for investment purposes, entirely represented by owned properties measured at *fair value*, amounted to EUR 244.4 mln (EUR 286.7 mln as at 31 December 2024).

Lines B.3 “Positive changes in *fair value*” and C.3 “Negative changes in *fair value*” show the changes attributable to changes in estimates of *fair value* following the update of appraisals as at 31 December 2025, which are negative overall for EUR 20.8 mln. In this regard, it should be noted that, for the purposes of compiling the table in question, the effects from measurement at *fair value* have been represented by splitting the overall impact relating to each individual property between the “land” component and the “building” component. In the table that breaks down the income statement item “260. Net gains (losses) on property, plant and equipment and intangible assets measured at fair value”, where the above mentioned valuation impact is reported, capital gains (losses) are however determined taking the individual property as reference unit.

Line C.6 “Transfers to: b) non-current assets held for sale and disposal groups” includes properties whose value is expected to be recovered mainly through sale transactions.

The sub-item “E. Measured at fair value”, to be completed for investment properties valued at cost, is blank as all properties are valued at fair value. As at 31 December 2025, the book value of property, plant and equipment held for investment purposes (sub-item D) therefore corresponds to their fair value.

8.8 Inventories of property, plant and equipment governed by IAS 2: annual changes

	Gross closing balance of tangible assets obtained through enforcement of the guarantees received					Other Closing balance of tangible assets	Total
	Land	Buildings	Furniture and furnishings	Electronic systmes	Others		
A. Opening balance	-	-	-	-	-	22,359	22,359
B. Increase	-	-	-	-	-	512	512
B.1 Purchases	-	-	-	-	-	196	196
B.2 Write-backs	-	-	-	-	-	316	316
B.3 Exchange gains	-	-	-	-	-	-	-
B.4 Other increases	-	-	-	-	-	-	-
C. Decreases	-	-	-	-	-	2,000	2,000
C.1 Sales	-	-	-	-	-	312	312
C.2 Impairment losses	-	-	-	-	-	940	940
C.3 Exchange losses	-	-	-	-	-	-	-
C.4 Other decreases	-	-	-	-	-	748	748
D. Closing balance	-	-	-	-	-	20,871	20,871

8.9 Commitments to purchase property, plant and equipment

No commitments for the purchase of property, plant and equipment were registered in the 2025 financial year, nor in the previous financial year.

8.10 Property, plant and equipment: depreciation rates

Main categories of property, plant and equipment	%
Buildings	2.0% - 6.7%
Furniture and furnishings	12%
Alarm and video systems	30%
Electronic and ordinary office equipment	20%
Electronic data processing equipment	25%
Vehicles	20%
Telephones	25%

The percentages used for carrying out the depreciations with reference to the main categories of property, plant and equipment are presented in the table. Owing to their indefinite useful life, land and artworks are not depreciated. Investment property measured at fair value is not subject to depreciation.

For buildings for business use, the depreciation rates are determined on the basis of the cluster to which the individual building belongs. The different clusters are defined in terms of useful life, starting from a minimum of 5 years up to a maximum of 50 years.

Note that the rights of use acquired through leasing are depreciated based on the lease contract duration.

Section 9 – Intangible assets – Item 90

9.1 Intangible assets: breakdown by type of assets

Asset / Amount	31 12 2025			31 12 2024		
	Finite Life	Indefinite Life	Total	Finite Life	Indefinite Life	Total
A.1 Goodwill	X	-	-	X	-	-
A.2 Other intangible assets	134,808	-	134,808	134,585	-	134,585
<i>of which software</i>	134,808	-	134,808	134,585	-	134,585
A.2.1 Assets carried at cost	134,808	-	134,808	134,585	-	134,585
a) internally generated intangible assets	25,849	-	25,849	26,267	-	26,267
b) other assets	108,959	-	108,959	108,318	-	108,318
A.2.2 Assets valued at fair value:	-	-	-	-	-	-
a) internally generated intangible assets	-	-	-	-	-	-
b) other assets	-	-	-	-	-	-
Total	134,808	-	134,808	134,585	-	134,585

All of the Bank's intangible assets are valued at cost and have a finite useful life.

Line "A.2.1 Assets carried at cost – a) internally generated intangible assets" includes intangible assets linked to technology generated internally (internally developed software) in the amount of EUR 25.8 mln.

In line "A.2.1 Assets carried at cost – b) other assets", software purchased/produced from third parties for EUR 109.0 mln is included.

If *software*, recognised overall in the financial statements, is therefore equal to EUR 134.8 mln and is normally amortised over a period of three or five years, except in special cases.

Finally, it should be noted that the analysis of the future utility of the main capitalised assets to verify their value retention resulted in an adjustment of about EUR 2.7 mln; Please refer in this regard to the following table 9.2 Intangible assets: annual changes, in correspondence with line C.2 – Value adjustments - Write-downs to profit or loss.

9.2 Intangible assets: annual changes

	Goodwill	Other intangible assets: generated internally		Other intangible assets: other		Total 31 12 2025
		finite life	indefinite life	finite life	indefinite life	
A. Opening balance	5,209,817	554,053	-	2,086,247	-	7,850,117
A.1 Total net decreases	5,209,817	527,786	-	1,977,929	-	7,715,532
A.2 Net opening balance	-	26,267	-	108,318	-	134,585
B. Increases	-	10,598	-	48,441	-	59,039
B.1 Purchases	-	-	-	48,441	-	48,441
B.2 Increases in internally generated intangible assets	X	10,598	-	-	-	10,598
B.3 Write-backs	X	-	-	-	-	-
B.4 Increases in fair value	-	-	-	-	-	-
- to net equity	X	-	-	-	-	-
- to profit and loss	X	-	-	-	-	-
B.5 Exchange losses	-	-	-	-	-	-
B.6 Other increases	-	-	-	-	-	-
C. Decreases	-	11,016	-	47,800	-	58,816
C.1 Sales	-	-	-	-	-	-
C.2 value adjustment	-	11,016	-	47,800	-	58,816
- Depreciation	X	10,360	-	45,780	-	56,140
- Write-downs	-	656	-	2,020	-	2,676
+ net equity	X	-	-	-	-	-
+ profit and loss	-	656	-	2,020	-	2,676
C.3 Decreases in fair value	-	-	-	-	-	-
- to net equity	X	-	-	-	-	-
- to profit and loss	X	-	-	-	-	-
C.4 Transfers to non-current assets held for sale	-	-	-	-	-	-
C.5 Exchange losses	-	-	-	-	-	-
C.6 Other decreases	-	-	-	-	-	-
D. Net closing balance	-	25,849	-	108,959	-	134,808
D.1 Total net value adjustments	5,209,817	538,801	-	2,025,730	-	7,774,348
E. Gross closing balance	5,209,817	564,650	-	2,134,689	-	7,909,156
F. Carried at cost	-	-	-	-	-	-

It should be noted that Line "F. Carried at cost" was left blank in accordance with Bank of Italy's instructions, as it only needs to be completed for intangible assets measured at fair value.

9.3 Intangible assets: Other information: amortisation rates

Main categories of intangible assets	%
Software	20%-33.3%

As at the balance sheet date, software is still in use which has been fully amortised (IAS 38, para. 128).

It should be noted that there are none as at 31 December 2025:

- revalued intangible fixed assets;
- intangible fixed assets acquired through government concessions (IAS 38, par. 44);
- intangible fixed assets pledged as loan collaterals;
- commitments to purchase intangible assets;

Section 10 - Tax Assets and Liabilities - Item 100 (Assets) and Item 60 (Liabilities)

10.1 Deferred tax assets: breakdown

Items/Amounts	IRES with offsetting entry to P&L	IRES with offsetting entry to Balance Sheet	IRAP with offsetting entry to P&L	IRAP with offsetting entry to Balance Sheet	31 12 2025	31 12 2024
Receivables (including securitisations)	195,502	-	36,038	-	231,540	222,799
Receivables (L. 214/2011)	74,650	-	12,253	-	86,903	84,489
Other financial instruments	290	-	2,169	-	2,459	2,444
Goodwill deduction pursuant to previous law provisions (L. 214/2011)	200,651	671	56,192	171	257,685	252,505
Property, plant and equipment	134,339	-	21,476	-	155,815	153,080
Intangible assets	325	-	167	-	492	270
Intangible assets (Law 214/2011)	14,248	-	3,410	-	17,658	17,446
Personnel expenses	598	3,803	135	25	4,561	4,992
ACE surplus	3,352	-	-	-	3,352	10,287
Tax losses	2,759,886	48,913	-	-	2,808,799	1,512,196
Tax losses (Law 214/2011)	-	-	-	-	-	-
Financial instruments - valuation reserves	-	9,281	-	2,890	12,171	21,768
Others	207,184	-	9,238	-	216,422	227,441
Deferred tax assets (gross)	3,591,025	62,668	141,078	3,086	3,797,857	2,509,717
Offsetting with deferred tax liabilities	(14,406)	(49,606)	(2,079)	(10,537)	(76,628)	(86,445)
Deferred tax assets (net)	3,576,619	13,062	138,999	(7,451)	3,721,229	2,423,272

Deferred tax assets were recognised after verifying the existence of foreseeable future income (probability test). Impairments and reversals following probability testing are recognised in a balancing entry in the income statement, under taxation (item 270 "Tax (expense)/recovery on income from continuing operations"). For additional information, please refer to paragraph 10.7 "Other information" below.

In addition to deferred taxes referring to the main tax (at the rate of 24%) the amounts shown in the IRES column also include those relating to the additional IRES tax (3.5% rate) introduced by Italian Law no. 208 of 28 December 2015, (art. 1, paragraphs 65-66).

This net figure for this item increased during the year; For the quantification of individual effects, please refer to the following paragraphs of this Section.

The line “Receivables” includes the deferred tax assets relating to the residual portions of the value adjustments on loans to customers accounted for at the time of first-time adoption of IFRS 9. The line “Other” includes the tax assets relating to provisions for risks and charges for deductible costs expected in future years and other residual cases.

10.2 Deferred tax liabilities: breakdown

Items/Amounts	IRES with offsetting entry to P&L	IRES with offsetting entry to Balance Sheet	IRAP with offsetting entry to P&L	IRAP with offsetting entry to Balance Sheet	Total 31 12 2025	Total 31 12 2024
Property, plant and equipment and intangible assets	3,808	41,805	2,000	8,717	56,330	56,716
Financial instruments	6,923	-	79	-	7,002	5,326
Personnel expenses	3,675	-	-	-	3,675	4,044
Financial instruments - valuation reserves	-	7,146	-	1,692	8,838	18,209
Others	-	655	-	127	782	2,150
Deferred tax liabilities (gross)	14,406	49,606	2,079	10,536	76,627	86,445
Offsetting with deferred tax assets	(14,406)	(49,606)	(2,079)	(10,536)	(76,627)	(86,445)
Deferred tax liabilities (net)	-	-	-	-	-	-

In addition to deferred taxes referring to the main tax (at the rate of 24%) the amounts shown in the IRES column also include those relating to the additional IRES tax (3.5% rate) introduced by Italian Law no. 208 of 28 December 2015, paragraphs 65-66.

The line “Financial instruments – valuation reserves” includes tax liabilities relating to the valuation of cash flow hedge derivatives, as well as financial instruments classified in the portfolio “Financial assets measured at fair value through other comprehensive income” (OCI).

This net figure for this item decreased during the year; for the quantification of individual effects, please refer to the following paragraphs of this Section.

10.3 Deferred tax assets: annual changes (with offsetting entry to profit or loss)

	Total 31 12 2025	Total 31 12 2024
1. Opening balance*	2,434,051	1,832,872
2. Increases	1,686,932	1,071,067
2.1 Deferred tax assets arising during the year	1,660,507	1,060,750
a) relating to previous years	-	-
b) due to changes in accounting principles	-	-
c) write-backs	1,590,215	987,480
d) other	70,292	73,270
2.2 New taxes or increases in tax rates	18,922	-
2.3 Other increases	7,503	10,317
3. Decreases	388,880	469,888
3.1 Deferred tax assets derecognised during the year	379,990	455,392
a) reversals	379,990	455,392
b) write-downs of non-recoverable items	-	-
c) changes in accounting principles	-	-
d) other	-	-
3.2 Reduction in tax rates	-	-
3.3 Other decreases	8,890	14,496
a) conversion into tax credits pursuant to Law no. 214/2011	-	-
b) others	8,890	14,496
4. Total	3,732,103	2,434,051

The major components of “Deferred tax assets arising during the year” as reported in line 2.1 letter d) include those concerning:

- taxed provisions made during the financial year to the provision for risks and charges for EUR 56.5 mln;
- the write-down recorded during the year of owned properties for functional use and investment purposes in the amount of EUR 7.9 mln.

The amount shown in line 2.2 “New taxes or increases in tax rates”, and in the corresponding line of the subsequent tables in this section, consists of the revaluation of IRAP deferred tax assets resulting from the two percentage point increase in the tax rate for the 2026-2028 three-year period, pursuant to art. 1, paragraph 74, of Italian Law no. 199 of 30 December 2025. This revaluation was applied only to tax assets and liabilities expected to be settled in the years in which the increased rate is in force.

The amount shown in line 3.1 letter a) “Reversals” include deferred tax assets relating to:

- the use of past tax losses to offset taxable income for the year in the amount of EUR 294.1 mln;
- uses and reclassifications to the Income statement of provisions for risks and charges taxed in previous years for EUR 70.6 mln.

The table shows the effects of the measurement of deferred taxes based on the results of the probability test conducted as at 31 December 2025. Specifically, the amount indicated in line 2.1 letter c) “Write-backs” is due to the full write-back of deferred tax assets relating to tax losses incurred and not recognised in previous years, both with reference to IRES (in the Tax Consolidation) for EUR 1,440.1 mln and to the IRES additional tax (in the individual return) for EUR 150.1 mln. For additional information, please refer to paragraph 10.7 “Other information” below.

10.3-bis Deferred tax assets: changes under Italian Law 214/2011 (with offsetting entry to profit or loss)

Items/Amounts	Total	
	31 12 2025	31 12 2024
1. Opening balance	353,612	521,451
2. Increases	7,792	-
3. Decreases	-	167,839
3.1 Reversals	-	167,837
3.2 Conversion into tax credits	-	-
a) arising from loss for the period	-	-
b) arising from tax losses	-	-
3.3 Other decreases	-	2
4. Closing balance	361,404	353,612

The amount shown in line 2. "Increases" consists of the revaluation of IRAP deferred tax assets resulting from the two percentage point increase in the tax rate for the 2026-2028 three-year period, pursuant to art. 1, paragraph 74, of Italian Law no. 199 of 30 December 2025.

10.4 Deferred tax liabilities: changes (with offsetting entry to profit or loss)

	Total 31 12 2025	Total 31 12 2024
Opening balance	15,271	18,780
2. Increases	2,633	847
2.1 Deferred tax liabilities arising during the year	1,966	100
a) relating to previous years	-	-
b) due to changes in accounting principles	-	-
c) other	1,966	100
2.2 New taxes or increases in tax rates	-	-
2.3 Other increases	667	747
3. Decreases	1,419	4,356
3.1 Deferred taxes derecognised during the year	806	2,029
a) reversals	806	2,029
b) due to changes in accounting principles	-	-
c) other	-	-
3.2 Reduction in tax rates	-	-
3.3 Other decreases	613	2,327
4. Closing balance	16,485	15,271

10.5 Deferred tax assets: changes (with offsetting entry to equity)

	Total 31 12 2025	Total 31 12 2024
1. Opening balance	75,666	89,644
2. Increases	3,234	1,741
2.1 Deferred tax assets arising during the year	2,893	1,073
a) relating to previous years	-	6
b) due to changes in accounting principles	-	-
c) other	2,893	1,067
2.2 New taxes or increases in tax rates	14	-
2.3 Other increases	327	668
3. Decreases	13,146	15,719
3.1 Deferred tax assets derecognised during the year	12,853	15,134
a) reversal	12,853	15,134
b) write-downs of non-recoverable items	-	-
c) due to changes in accounting principles	-	-
d) other	-	-
3.2 Reduction in tax rates	-	-
3.3 Other decreases	293	585
4. Closing balance	65,754	75,666

The cancelled deferred tax assets refer mainly to write-backs on financial instruments classified in the portfolio “Financial assets measured at fair value through other comprehensive income” (OCI).

10.5-bis Deferred tax assets: changes under Italian Law 214/2011 (with offsetting entry to equity)

Voci/Valori	Totale	
	31 12 2025	31 12 2024
1. Opening balance	828	1.132
2. Increases	14	-
3. Decreases	-	304
3.1 Reversals	-	304
3.2 Conversion into tax credits	-	-
a) arising from loss for the year	-	-
b) arising from tax losses	-	-
3.3 Other decreases	-	-
4. Closing balance	842	828

The table shows deferred tax assets that may be converted into tax credits pursuant to Italian Law 214/2011, recognised with an offsetting entry to equity. This refers to goodwill charged by the Bank to shareholders' equity as it relates to past business combinations under common control.

10.6 Deferred tax liabilities: changes (with offsetting entry to equity)

	Total	Total
	31 12 2025	31 12 2024
1. Opening balance	71,174	72,076
2. Increases	4,069	6,052
2.1 Deferred tax liabilities arising during the year	773	5,785
a) relating to previous years	-	-
b) due to changes in accounting principles	-	-
c) other	773	5,785
2.2 New taxes or increases in tax rates	917	-
2.3 Other increases	2,379	267
3. Decreases	15,101	6,954
3.1 Deferred tax liabilities derecognised during the year	12,761	5,961
a) reversal	12,761	5,961
b) due to changes in accounting principles	-	-
c) other	-	-
3.2 Reduction in tax rates	-	-
3.3 Other decreases	2,340	993
4. Closing balance	60,142	71,174

Decreases mainly refer to deferred tax liabilities that arose during the year in relation to hedging derivatives *cash flow hedge* and financial instruments classified in the portfolio of "financial assets measured at fair value through other comprehensive income" (OCI).

10.7 Other information

Probability test

In compliance with the provisions of IAS 12 and the ESMA communication issued on 15 July 2019, the Bank has recognised deferred tax assets (DTA), subject to verification of the existence of sufficient future taxable income for the purposes of their reabsorption (probability test).

In this test, the different rules set forth in the Italian tax laws which impact the assessment in question were taken into account, in particular:

- art. 2, paragraphs 55-59, of Italian Law Decree no. 225 of 29 December 2010 (converted, with amendments, by Italian Law no. 10 of 26 February 2011) which establishes the obligation for financial intermediaries to convert into tax credits DTAs (IRES and IRAP) relating to goodwill, other intangible assets and impairment losses on receivables, in the case of a loss in the statutory financial statements and/or a tax loss;
- art. 84, paragraph 1 of the TUIR, which allows for the possibility of carrying forward IRES tax losses with no time limits;
- paragraphs 61 to 66, art. 1, of the 2016 Stability Law (Italian Law no. 208 of 28 December 2015) reduced the IRES rate from 27.5% to 24% and simultaneously introduced an IRES additional tax of 3.5% for credit and financial institutions; both measures are effective as of 2017.

The MPS Group incurred significant consolidated tax losses in the past, particularly in the financial years 2016 and 2017, the residual amount of which as at 31 December 2025 is EUR 10.5 bn; these tax losses can be carried forward for offsetting against future taxable income without limits of amount and time and constitute the prerequisite for the recognition in the financial statements of corresponding DTAs, after verifying the existence of future taxable income. In its past financial statements, the Bank recognised DTAs on tax losses only to a minimal extent with respect to their nominal value, as the future taxable income considered in the valuation time period was largely absorbed by the *reversal* of DTAs relating to costs with deferred tax deductions, as well as ACE deductions which the Bank was able to benefit from as a result of the capital increases carried out from 2011 onwards. The repeal of the ACE incentive, brought about by Italian Legislative Decree 216/2023 with effect from 2023, together with the approval on 5 August 2024 by the Bank's Board of Directors of a new Industrial Plan for the 2024-2028 period, which provides for the consolidation and strengthening of the Group's earnings growth, increasing the prospects for absorbing consolidated tax losses, resulted in partial reassessments of the related DTAs recognised in the Bank's Financial Statements as at 31 December 2023 and 31 December 2024.

Lastly, with the acquisition of the Mediobanca Group completed during the year, the Group's earnings prospects have further increased, resulting in these Financial Statements in the full reassessment of the residual portion of DTAs from tax losses not recognised in the Bank's Financial Statements as at 31 December 2024; in this regard, it should be noted that the Mediobanca Group companies resident in Italy resolved to join the MPS Group tax consolidation, with effect from the 2026 tax period.

From a methodological point of view, the Probability test as at 31 December 2025 was conducted by following the steps specified below.

DTAs relating to goodwill, other intangible assets and impairment losses and adjustments on receivables ("qualified" DTAs), were excluded from the total amount of DTAs for which the existence of sufficient future taxable income needs to be identified. This is because the above-mentioned art. 2, paragraphs 55-59 of Italian Law Decree 225/2010 made the recovery of that type of DTA certain, with respect to both IRES and IRAP, regardless of the presence of future taxable income. Indeed, the above-mentioned rule sets forth that, if taxable income for the financial year in which the recovery of qualified DTAs is expected is not sufficient to absorb them, the resulting tax loss would be convertible into a tax credit that may be, alternatively i) used to offset, with no amount limits, the various taxes ordinarily due from the Bank, or ii) requested in the form of a refund, or iii) transferred to third parties. In addition, qualified DTAs may be converted into tax credit in advance of their natural maturity, in the event of a loss for the year in the statutory financial statements or voluntary liquidation, as well as subjection to bankruptcy proceedings.

In other words, for qualified DTAs the Probability test must be deemed automatically satisfied; this is also confirmed by the joint Bank of Italy, CONSOB and ISVAP document no. 5 of 15 May 2012 "Accounting treatment of deferred tax assets deriving from Italian Law 214/2011".

For DTAs other than qualified DTAs, the financial year in which the relative recovery is expected has been identified (or estimated when uncertain).

The estimate of taxable income for future financial years was carried out, consistently with other relevant corporate valuation processes, based on the expected evolution of the Group's income statements available at the reporting date derived from the combination of the 2024-2028 and 2025-2028 Industrial Plans approved by the Boards of Directors of Banca MPS on 5 August 2024 and of Mediobanca on 26 June 2025, respectively.

The estimate of taxable income subsequent to the 2026-2028 three-year period, was carried out assuming that, starting from the first subsequent financial year (from 2029 for these Financial Statements), pre-tax profit ("cap" or "average trend income"), projected over the subsequent years for the 20-year time horizon considered by the probability test and revalued at a growth rate g , allows the Group's return on equity (ROE) to be no higher than the average ROE recorded in the banking sector over the last 20 years. The above growth rate g was 2%, assumed equal to the nominal growth rate of the economy, in line with the ECB's long-term inflation target within its monetary stability policy, and unchanged compared to the corresponding figure used in the Financial Statements as at 31 December 2024.

In order to reflect the level of uncertainty that characterises the actual realisation of long-term forecasts, a discount factor was applied to the forecast operating results (Risk-adjusted profits approach) equal to 9%, unchanged from that used for the previous Financial Statements. This factor is calculated also taking into account observable market parameters. In greater detail, the prudential adjustment of taxable income is obtained by discounting the pre-Taxes profit forecasts for each year, starting from 2026 up to the maximum time horizon of 20 years, by the factor of 9%, applied according to the compound capitalisation formula. This results in an increasing reduction of the future taxable flows taken into account, based on the time horizon of the estimate.

Taxable incomes were therefore estimated:

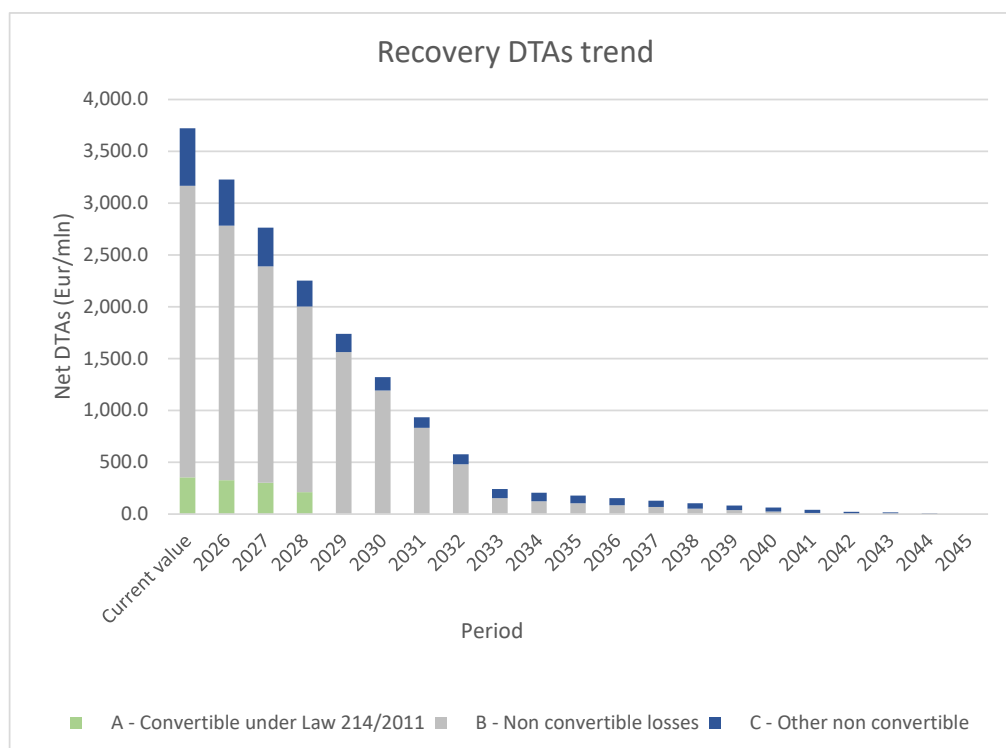
- at domestic tax consolidation level, for the IRES Probability test, since the Bank pays this tax as set forth in arts. 117 et seq. of the Income Tax Act;
- at individual level for IRES additional tax;
- at individual level for IRAP.

The valuation exercise performed using the model described above resulted in the full revaluation of the DTAs not recognised in the financial statements as at 31 December 2024, with the following impacts on the Bank's accounts:

- with reference to DTAs for prior years' consolidated tax losses, a revaluation of EUR 1,440.1 mln;
- with reference to DTAs for previous tax losses for the purposes of the IRES surtax, a revaluation of EUR 150.1 mln.

As a result of the above measurement as at 31 December 2025, the Bank's DTAs could be fully recognised as assets in the Balance Sheet (as at 31 December 2024, the DTAs that could not be recognised amounted to EUR 1,587.5 mln). It should be noted that a similar assessment conducted on the basis of the new income projections included in the 2026-2030 Industrial Plan, approved by the Bank's Board of Directors on 26 February 2026, would have produced the same results.

The MPS Group's tax losses, equal to EUR 10,452 mln, accrued mainly in 2016 and 2017, corresponding to the start of the Bank's restructuring process, and derive essentially for both years from significant adjustments to loans. In particular, for 2016 the methodologies and parameters used in measuring loans had to be updated and for 2017 the realisable value of non-performing loans sold during 2018 had to be adjusted. Therefore, pursuant to the provisions of paragraph 36.c) of IAS 12, also taking into account the high profitability of the Bank and the Group, it is believed that these unused tax losses derive from "*identifiable causes that are unlikely to recur*" and in this sense have been considered in the process of assessing the DTAs that can be recognised in the financial statements. The following chart shows the expected evolution of the recovery of DTAs recognised in the Financial Statements as at 31 December 2025, both quantitatively and over time, broken down between convertible DTAs pursuant to Italian Law 214/2011, DTAs from non-convertible losses and other non-convertible DTAs.



In addition to the economic projections derived from the Industrial Plan, the probability test model used in the MPS Group includes some other input data, fluctuations in the value of which may affect the final outcome of the measurement; Specifically, these are:

- 1) amount of the “average YoY income” or “*cap*” (pre-Taxes income, projected for the years beyond the first three years taken from the Industrial Plan – from 2029 for the present Financial Statements – such as to express a profitability not higher than the average ROE of the banking sector);
- 2) discount rate of future results (coefficient used in the risk-adjusted profits approach);
- 3) growth rate *g*, assumed equal to the nominal growth rate of the economy.

Thanks to the level of forecast profitability estimated for the Group, reasonably conceivable fluctuations in the value of the above variables do not affect the full recognisability of DTAs as at 31 December 2025; the effect of such fluctuations is limited solely to the timing of recovery of DTAs from tax losses; in the following table, the sensitivity of the model in estimating such timing is shown for both increases and decreases in each of the input data listed above:

recovery horizon	Forecast as at 31 december 2025		Projected trend in the Group's average revenue (per capita) from 2029						Discount rate for projected results				Growth rate <i>g</i>				Forecast without a discount rate	
			-400 mln		+400 mln				-1%		+1%		-1%		+1%		Recovery	%
	Recovery	%	Recovery	%	Recovery	%	Recovery	%	Recovery	%	Recovery	%	Recovery	%	Recovery	%		
Within industrial plan (2028)	1,021.0	36.3%	1,022.2	36.3%	1,021.0	36.3%	1,048.6	37.3%	994.3	35.4%	1,021.0	36.3%	1,021.0	36.3%	1,303.6	46.4%		
within 6 years (2031)	960.9	34.2%	831.1	29.6%	1,090.7	38.8%	1,018.6	36.2%	906.2	32.2%	949.4	33.8%	972.4	34.6%	1,383.3	49.2%		
within 10 years (2035)	726.6	25.8%	838.0	29.8%	615.2	21.9%	654.4	23.3%	795.7	28.3%	733.5	26.1%	719.8	25.6%	125.2	4.5%		
over 10 years	103.7	3.7%	120.9	4.3%	85.3	3.0%	90.5	3.2%	115.9	4.1%	108.3	3.8%	98.9	3.5%	0.0	0.0%		
Total recovery	2,812.2	100.0%	2,812.2	100.0%	2,812.2	100.0%	2,812.2	100.0%	2,812.2	100.0%	2,812.2	100.0%	2,812.2	100.0%	2,812.2	100.0%		

This exercise shows that the model's sensitivity to changes in the indicated input parameters is relatively limited, due to the level of forecast profitability estimated for the Group. In the absence of the discount factor applied to future economic results, an assumption considered in the last columns of the table, DTAs from consolidated tax losses would be recoverable by 2031 and those from tax losses for the purposes of the IRES additional tax by 2034. The results of these analyses are essentially confirmed by the new income projections included in the 2026-2030 Industrial Plan, approved by the Bank's Board of Directors on 26 February 2026.

Current tax assets

Items/Amounts	Total	Total
	31 12 2025	31 12 2024
Prepayments of corporate income tax (IRES and IRAP)	181,230	9,202
Other tax credits and withholdings	82,724	185,930
Gross current tax assets	263,954	195,132
Offsetting with current tax liabilities	(198,618)	(92,941)
Net current tax assets	65,336	102,191

"Other tax credits and withholdings" consist of IRES/IRAP credits from prior tax returns and usable for offsetting for EUR 41.1 mln, income tax credits claimed for refund for EUR 18.6 mln, tax credit for DTA transformation (Italian Law no. 214/2011) for the remaining portion still to be used for EUR 12.0 mln, and withholdings incurred totalling EUR 11.0 mln.

Current tax liabilities

Items/Amounts	31 12 2025			31 12 2024		
	Booked to net equity	Booked to P&L	Total	Booked to net equity	Booked to P&L	Total
Corporate income tax (IRES IRAP) payables	(35,320)	246,218	210,898	(1,484)	94,426	92,942
Other current income tax payables	-	-	-	-	-	-
Gross current tax payables	(35,320)	246,218	210,898	(1,484)	94,426	92,942
Offsetting with current tax asset	(35,320)	233,937	198,617	(1,484)	94,426	92,942
Net current tax payables	-	12,281	12,281	-	-	-

There were no second-pillar current income tax provisions in accordance with Legislative Decree no. 209 of 27 December 2023, which transposed into Italian law Council Directive (EU) 2022/2523 of 15 December 2022, aimed at ensuring a global minimum tax for large multinational and national groups of companies in the European Union. This was consistent with the common international approach shared at the OECD/G20 level, for the reasons explained in the section "Tax position of the Group" in the Consolidated Report on Operations.

Section 11 - Non-current assets held for sale and disposal groups and associated liabilities - Item 110 (assets) and 70 (liabilities)

11.1 Non-current assets held for sale and disposal groups: breakdown by type of assets

	Total	
	31 12 2025	31 12 2024
A. Individual assets		
A.1 Financial assets	866,996	57,569
A.2 Equity investments	34,000	34,000
A.3 Tangible assets	34,932	15,960
<i>of which: obtained through the enforcement of the guarantees received</i>		
A.4 Intangible assets	-	-
A.5 Other non-current assets	-	-
Total A	935,928	107,529
<i>of which valued at cost</i>	900,944	34,000
<i>of which designated at fair value (level 1)</i>	-	-
<i>of which designated at fair value (level 2)</i>	-	-
<i>of which designated at fair value (level 3)</i>	34,984	73,529
B. Asset groups (discontinued operations)		
C. Liabilities associated with individual assets held for sale		
D. Liabilities associated with discontinued operations		

Line "A.1 Financial assets", amounting to EUR 867.0 mln, refers for EUR 769.2 mln to the disposal of a portfolio of leasing loans – of which EUR 764.2 mln almost entirely classified as performing – classified as non-current assets held for sale following the acceptance, by the bank on 31 December 2025, of the binding offer from its subsidiaries Selma - and for EUR 97.7 mln to disposals of individual portfolios of non-performing loans whose preliminary sale and purchase agreements were signed during 2025. The closing of such transactions is expected by the first half of 2026.

The line "A.2 Equity investments", amounting to EUR 34.0 mln, refers entirely to the investee Monte Paschi Banque S.A.

Line "A.3 Property, plant and equipment", amounting to EUR 34.9 mln, consists for EUR 33.7 mln of properties previously classified under IAS 40 investment property, for EUR 0.5 mln of IAS 16 property, plant and equipment for functional use and for EUR 0.7 mln of property, plant and equipment governed by IAS 2.

At the reporting date or for the financial year of comparison, there are no equity securities of clearly poor credit quality.

11.2 Other information

At the reporting date, there is no information to report pursuant to IFRS 5.42. There are also no “Discontinued operations”.

Section 12 - Other assets - Item 120

12.1 Other assets: breakdown

	Total 31 12 2025	Total 31 12 2024
Tax credits from the Revenue and other tax levying authorities	1,732,204	2,039,811
Third party cheques held at the cashier's for collection	3,855	3,741
Cheques drawn on the Company held at the cashier's for collection	475	718
Gold, silver and precious metals	77,332	100,441
Items in transit between branches	1,002	306
Items in processing	529,323	578,916
Receivables associated with the provision of goods and services	413	6,506
Improvements and incremental costs on third party assets other than those included under tangible assets	10,776	12,928
Prepaid expenses and accrued income not attributable to other line items	521,648	522,415
Credits for consolidated income tax return	5,026	10,208
Others	253,417	305,845
Total	3,135,471	3,581,835

The lines “Items in processing” and “Other” include transactions which are settled in the first days of 2026.

The line “Tax credits from the Revenue and other amounts” includes EUR 1,385.3 mln (EUR 1,804.8 mln as at 31 December 2024) relating to tax credits connected with the “Rilancio” Italian Law Decree acquired as a result of a transfer by direct beneficiaries or previous purchasers.

The line “Accrued income and prepaid expenses not attributable to its own separate item” includes a total of EUR 191.8 mln (EUR 216.5 mln as at 31 December 2024) as prepaid expenses for back office services in outsourcing, provided by suppliers continuously over the contract term and financially settled by the Bank with a decreasing time profile. For further details on the methods for identifying these types of services, please refer to Part A, paragraph “Other Information - Costs for constant services and decreasing payments” of these Notes to the Financial Statements.

The table above does not include cases attributable to the definitions of “contract assets” and “contract liabilities” at either the reporting date or for the comparison financial year, which would require disclosure pursuant to IFRS 15.116 and 118.

LIABILITIES

Section 1 - Financial liabilities measured at amortised cost - Item 10

1.1 Financial liabilities measured at amortised cost: breakdown of due to banks

Items/accounts	Total 31 12 2025				Total 31 12 2024			
	Book value	Fair value			Book value	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
1. Due to central banks	9,009,785	X	X	X	8,510,879	X	X	X
2. Due to banks	7,926,416	X	X	X	5,322,104	X	X	X
2.1 Current accounts and demand deposits	4,441,573	X	X	X	3,069,246	X	X	X
2.2 Time deposits	1,035,827	X	X	X	1,067,546	X	X	X
2.3 Loans	1,357,454	X	X	X	678,703	X	X	X
2.3.1 Repurchase agreements	1,320,240	X	X	X	649,658	X	X	X
2.3.2 Other	37,214	X	X	X	29,045	X	X	X
2.4 Liabilities for commitments to repurchase own equity instruments	-	X	X	X	-	X	X	X
2.5 Debts for leasing	-	X	X	X	-	X	X	X
2.6 Other liabilities	1,091,562	X	X	X	506,609	X	X	X
Total	16,936,201	-	16,936,201	-	13,832,983	-	13,832,983	-

The balance of the item “Due to central banks”, amounting to EUR 9.0 bn (EUR 8.5 bn as at 31 December 2024), refers to funding operations from the ECB consisting of short-term loans (“MRO/LTRO”) of which LTRO for EUR 3 bn and MRO for EUR 6 bn.

Line 2.3.1 “Repurchase agreements” contains the financial liabilities arising from repo transactions with banks on both treasury securities and securities made available through reverse repurchase agreements or securities lending transactions.

1.2 Financial liabilities measured at amortised cost: breakdown of due to customers

Items/accounts	Total 31 12 2025				Total 31 12 2024			
	Book value	Fair value			Book value	Fair value		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
1. Current accounts and demand deposits	67,289,344	X	X	X	63,933,281	X	X	X
2. Time deposits	5,057,846	X	X	X	5,336,077	X	X	X
3. Loans	7,866,797	X	X	X	8,717,012	X	X	X
3.1 Reverse repurchase agreements	5,846,878	X	X	X	6,800,066	X	X	X
3.2 Others	2,019,919	X	X	X	1,916,946	X	X	X
4. Liabilities for commitments to repurchase own equity instruments	-	X	X	X	-	X	X	X
5. Debts for leasing	175,695	-	-	-	154,592	-	-	-
6. Other liabilities	1,486,851	X	X	X	1,304,181	X	X	X
Total	81,876,533	-	81,876,533	-	79,445,143	-	79,445,143	-

1.3 Financial liabilities measured at amortised cost: breakdown of debt securities issued

Type of Securities/ Amounts	Total				
	31 12 2025				
	Book value	Fair value			
		Level 1	Level 2	Level 3	Total
A. Listed securities					
1. Bonds	9,091,355	8,919,110	442,814	-	9,361,924
1.1 Structured	-	-	-	-	-
1.2 Other	9,091,355	8,919,110	442,814	-	9,361,924
2. Other securities	2,251,794	-	2,251,794	-	2,251,794
2.1 Structured	-	-	-	-	-
2.2 Other	2,251,794	-	2,251,794	-	2,251,794
Total	11,343,149	8,919,110	2,694,608	-	11,613,718

The table shows funding represented by securities, including bonds and certificates of deposit (outstanding and maturities).

Liabilities are net of bonds and repurchased CDs. In this regard, as at 31 December 2025, as in the previous financial year, the Bank has no outstanding bond issues with a State guarantee.

The table includes EUR 5,663.1 mln of liabilities subject to specific fair value hedging (EUR 4,824.6 mln as at 31 December 2024) to hedge interest rate risk.

Type of Securities/ Amounts	Total				
	31 12 2024				
	Book value	Fair value			
		Level 1	Level 2	Level 3	Total
A. Listed securities					
1. Bonds	9,802,805	8,687,964	1,437,666	-	10,125,630
1.1 Structured	-	-	-	-	-
1.2 Other	9,802,805	8,687,964	1,437,666	-	10,125,630
2. Other securities	505,091	-	505,091	-	505,091
2.1 Structured	-	-	-	-	-
2.2 Other	505,091	-	505,091	-	505,091
Total	10,307,896	8,687,964	1,942,757	-	10,630,721

1.4 Details of subordinated liabilities/securities

Type/Item	Issue Date	Maturity Date	Early termination	Grandfathering	Currency	Rate	Step up	31 12 2025		31 12 2024	
								Nominal Value	Book Value	Nominal Value	Book Value
Details of deposits from banks- subordinated liabilities											
Details of deposits from customers- subordinated liabilities											
Details of debt securities issued subordinated liabilities								-	-	-	-
Subordinated Bond	18/01/18	18/01/28	18/01/23	NO	Eur	5.375% fixed*	NO	750,000	814,753	750,000	820,232
Subordinated Bond	23/07/19	23/07/29	NO	NO	Eur	10.5% fixed	NO	300,000	311,824	300,000	311,797
Subordinated Bond	22/01/20	22/01/30	22/01/25	NO	Eur	8.0% fixed	NO	-	-	400,000	428,321
Subordinated Bond	10/09/20	10/09/30	10/09/25	NO	Eur	8.5% fixed	NO	-	-	300,000	304,628
Subordinated Bond	02/07/25	02/10/35	02/07/30	NO	Eur	4.375% fixed**	NO	500,000	497,577	-	-
-								1,550,000	1,624,153	1,750,000	1,864,978

* 5.375% until 18 January 2023, subsequently 5Y EUR mid-swap rate + 5.005%

**4.375% until 02/10/2030, subsequently 5Y EUR mid-swap rate + 2.15%

The Bank exercised, respectively in January and September, the early redemption option for two subordinated securities with maturity set in 2030 for a total of EUR 700 mln. In June 2025, a Tier 2 bond with a nominal value of EUR 500 mln was placed.

1.5 Details of structured liabilities

This table was not completed as the Bank has no such liabilities to report for either the current or the previous year.

1.6 Lease payables

Type of transaction/Amount	Total	Total
	31 12 2025	31 12 2024
Leasing debts	193,775	225,010
Payments due included in the lease liabilities not discounted up 5 years	161,799	189,502
Up to 1 month	6,315	6,424
From 1 to 3 months	4,511	4,736
From 3 months to 1 year	30,555	32,240
From 1 year to to 5 year	120,417	146,101
Total cash flow out for leasing over 5 years	31,976	35,508

The table shows the non-discounted outgoing cash flows for lease liabilities broken down by time bracket.

Section 2 - Financial liabilities held for trading - Item 20

2.1 Financial liabilities held for trading: breakdown

Type of transaction/ Group item	Total 31 12 2025					
	NV	FV				FV*
		Level 1	Level 2	Level 3	Total	
A. Balance-sheet liabilities						
1. Due to banks	317,334	320,343	-	-	320,343	320,342
2. Due to customers	1,016,219	1,101,553	-	-	1,101,553	1,101,553
3. Debt securities issued	-	-	-	-	-	-
3.1 Bonds	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	-	X
3.1.2 Other	-	-	-	-	-	X
3.2 Other securities	-	-	-	-	-	-
3.2.1 Structured	-	-	-	-	-	X
3.2.2 Other	-	-	-	-	-	X
Total A	1,333,553	1,421,896	-	-	1,421,896	1,421,895
B. Derivatives						
1. Financial derivatives		-	1,124,595	502	1,125,097	
1.1 Trading	X	-	1,124,595	502	1,125,097	X
1.2 Fair value option (FVO)	X	-	-	-	-	X
1.3 Other	X	-	-	-	-	X
2. Credit derivatives		-	331,650	-	331,650	
2.1 Trading	X	-	331,650	-	331,650	X
2.2 Fair value option (FVO)	X	-	-	-	-	X
2.3 Other	X	-	-	-	-	X
Total B	X	-	1,456,245	502	1,456,747	X
Total (A+B)	1,333,553	1,421,896	1,456,245	502	2,878,643	X

key

NV = Nominal or Notional Value

FV = Fair Value

FV*= Fair value calculated excluding value adjustments due to variations in the credit rating of the issuer since the date of issue

The criteria adopted for classification of financial instruments in the three levels of the “fair value hierarchy” are reported in Section A.4, “Information on fair value” of Part A, “Accounting policies” of the notes to the financial statements.

The amounts recognised in rows “1. Due to banks” and “2. Due to customers” mostly relate to those contained in rows “1. Debt securities” and “4. Loans” of asset table 2.1 “Financial assets held for trading”. Please also note that the sub-items “Due to banks” and “Due to Customers”, mentioned above, also incorporate uncovered short positions. They are designated at fair value in line with the method applied for “long” positions.

The fair value shown in the table in line B1.1.1 “Financial derivatives for trading” includes value changes due to changes in the Bank’s creditworthiness, Debit Value Adjustment (i.e. DVA), amounting to EUR 1.2 mln (EUR 3.3 mln as at 31 December 2024).

Type of transaction/ Group item	NV	Total 31 12 2024				FV*
		FV				
		Level 1	Level 2	Level 3	Total	
A. Balance-sheet liabilities						
1. Deposits from banks	100,738	103,991	228	-	104,219	104,219
2. Deposits from customers	1,432,539	1,513,726	-	-	1,513,726	1,513,726
3. Debt securities issued	-	-	-	-	-	-
3.1 Bonds	-	-	-	-	-	-
3.1.1 Structured	-	-	-	-	-	X
3.1.2 Other	-	-	-	-	-	X
3.2 Other securities	-	-	-	-	-	-
3.2.1 Structured	-	-	-	-	-	X
3.2.2 Other	-	-	-	-	-	X
Total A	1,533,277	1,617,717	228	-	1,617,945	1,617,945
B. Derivatives						
1. Financial derivatives		1,407	907,041	1,515	909,963	
1.1 Trading	X	1,407	907,041	1,515	909,963	X
1.2 Fair value option (FVO)	X	-	-	-	-	X
1.3 Other	X	-	-	-	-	X
2. Credit derivatives		-	124,570	-	124,570	
2.1 Trading	X	-	124,570	-	124,570	X
2.2 Fair value option (FVO)	X	-	-	-	-	X
2.3 Other	X	-	-	-	-	X
Total B	X	1,407	1,031,611	1,515	1,034,533	X
Total (A+B)	1,533,277	1,619,124	1,031,839	1,515	2,652,478	X

key

NV = Nominal or Notional Value

FV = Fair Value

FV*= Fair value calculated excluding value adjustments due to variations in the credit rating of the issuer since the date of issue

2.2 Details of item 20 “Financial liabilities held for trading”: subordinated liabilities

This table was not completed as the Bank has no such liabilities to report for either the current year or the comparative period.

2.3 Details of item 20 “Financial liabilities held for trading”: structured liabilities

This table was not completed as the Bank has no such liabilities to report for either the current year or the comparative period.

Section 3 - Financial liabilities measured at fair value - Item 30

3.1 Financial liabilities measured at fair value: breakdown

Type of transaction / Amount	Total 31 12 2025					
	NV	FV				FV*
		Level 1	Level 2	Level 3	Total	
1. Deposits from banks	-	-	-	-	-	-
2. Deposits from customers	-	-	-	-	-	-
3. Debt securities issued	70,632	-	126,418	-	126,418	130,135
3.1 Structured	-	-	-	-	-	X
3.2 Other	70,632	-	126,418	-	126,418	X
Total	70,632	-	126,418	-	126,418	130,135

key

NV = Nominal or Notional Value

FV = Fair value

FV* = Fair value calculated excluding value adjustments due to variations in the credit rating of the issuer since the date of issue

The table shows the financial liabilities represented by fixed-rate and structured bonds which have been classified at fair value and are subject to hedging. Hedging occurs through derivative contracts and is used to cover the risk of interest rate fluctuations and the risk resulting from embedded options.

In the income statement, positive and negative spreads or margins relating to derivatives contracts are recognised among interest income and expense, while valuation profits and losses are recognised under item 80 "Net profit (loss) from trading". Profit/loss from financial liabilities measured at fair value is recognised:

- among other revenue items not reclassified to profit or loss for the amount referring to changes in own creditworthiness;
- in item 110 "Net profit (loss) from other financial assets and liabilities measured at fair value through profit or loss" of the income statement for the residual portion of the fair value change.

The above recognition method does not create nor expand an accounting asymmetry in the profit (loss) for the year, as the effects of changes in the credit risk of the Bank's liabilities are not offset in the income statement by a change in the fair value of another financial instrument measured at fair value recognised in profit (loss) for the year.

Type of transaction / Amount	Total 31 12 2024					
	NV	FV				FV*
		Level 1	Level 2	Level 3	Total	
1. Deposits from banks	-	-	-	-	-	-
2. Deposits from customers	-	-	-	-	-	-
3. Debt securities issued	70,441	-	119,670	-	119,670	127,005
3.1 Structured	-	-	-	-	-	X
3.2 Other	70,441	-	119,670	-	119,670	X
Total	70,441	-	119,670	-	119,670	127,005

key

NV = Nominal or Notional Value

FV = Fair Value

FV* = Fair value calculated excluding value adjustments due to variations in the credit rating of the issuer since the date of issue

3.1.a Financial liabilities designated at fair value: fair value option approach

All Liabilities for which the fair value option was adopted refer to natural hedges through Derivatives of Debt securities for a Book value of EUR 126.4 mln (EUR 119.7 mln as at 31 December 2024).

3.1.b Financial liabilities measured at fair value: structured debt securities

This statement is not completed because for both the current year and the comparative year, the Bank has no structured bonds issued and subject to fair value measurement.

3.2 Details of “Financial liabilities measured at fair value”: subordinated liabilities

This table was not completed as the Bank has no such liabilities to report for either the current or the previous year.

Section 4 - Hedging derivatives - Item 40

4.1. Hedging derivatives breakdown by type of contract and underlying asset

	Fair value 31 12 2025				NV
	Level 1	Level 2	Level 3	Total	
A. Financial derivatives	-	216,241	-	216,241	10,745,175
1) Fair value	-	216,241	-	216,241	8,742,175
2) Cash flows	-	-	-	-	2,003,000
3) Foreign investments	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-
1) Fair value	-	-	-	-	-
2) Cash flows	-	-	-	-	-
Total	-	216,241	-	216,241	10,745,175

key

NV = Nominal or Notional Value

The table displays the negative book value (fair value) of hedging derivatives for hedges carried out through hedge accounting. Line “2) Cash flows” reports the notional amounts of hedging derivatives settled through Central Counterparties, whose fair values are subject to offsetting pursuant to IAS 32, paragraph 42, with financial derivatives traded with the same counterparties.

Information on the underlying strategies and objectives of hedge transactions can be found in the Section 2 - Market risks in Part E - Information on risks and hedging policies.

	Fair value 31 12 2024				NV
	Level 1	Level 2	Level 3	Total	
A. Financial derivatives	-	346,337	-	346,337	10,869,343
1) Fair value	-	346,337	-	346,337	10,869,343
2) Cash flows	-	-	-	-	-
3) Foreign investments	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-
1) Fair value	-	-	-	-	-
2) Cash flows	-	-	-	-	-
Total	-	346,337	-	346,337	10,869,343

key

NV = Nominal or Notional Value

4.2 Hedging derivatives: breakdown by hedged portfolios and type of hedging

Transaction/Type of hedge	Fair Value							Cash flow Hedge		Foreign investments	Total 31 12 2025
	Micro Hedge							Micro-hedge	Macro-hedge		
	Debt securities and interest rate	Equity instruments and stock indices	currencies and gold	Credit	Goods	Others	Macro-hedge				
1. Financial assets measured at fair value through other comprehensive income	-	-	-	-	X	X	X	-	X	X	-
2. Financial assets measured at amortised cost	166,253	X	25,524	-	X	X	X	-	X	X	191,777
3. Portfolio	X	X	X	X	X	X	24,464	X	-	X	24,464
4. Other transactions	-	-	-	-	-	-	X	-	X	-	-
Total assets	166,253	-	25,524	-	-	-	24,464	-	-	-	216,241
1. Financial liabilities	-	X	-	-	-	-	X	-	X	X	-
2. Portfolio	X	X	X	X	X	X	-	X	-	X	-
Total liabilities	-	-	-	-	-	-	-	-	-	-	-
1. Expected transactions	X	X	X	X	X	X	X	-	X	X	-
2. Financial assets andliabilities portfolio	X	X	X	X	X	X	-	X	-	-	-
Total	166,253	-	25,524	-	-	-	24,464	-	-	-	216,241

The tables show the negative fair values of hedging derivatives, classified by hedged assets or liabilities and type of hedging implemented.

In particular, as regards financial assets, the micro fair value hedge was used to hedge the risk of interest rate changes on securities and loans classified in the “financial assets measured at amortised cost” portfolio, in order to immunise them against possible adverse movements in interest rates. Fair value macro-hedging was carried out on fixed rate and cap/floor floating rate mortgage loan portfolios.

Transaction/Type of hedge	Fair Value							Cash flow Hedge			Foreign investments	Total 31 12 2024
	Micro Hedge						Macro-hedge	Micro-hedge	Macro-hedge			
	Debt securities and interest rate	Equity instruments and stock indices	currencies and gold	Credit	Goods	Others						
1. Financial assets measured at fair value through other comprehensive income	72	-	-	-	X	X	X	-	X	X	72	
2. Financial assets measured at amortised cost	239,452	X	74,352	-	X	X	X	-	X	X	313,804	
3. Portfolio	X	X	X	X	X	X	32,461	X	-	X	32,461	
4. Other transactions	-	-	-	-	-	-	X	-	X	-	-	
Total assets	239,524	-	74,352	-	-	-	32,461	-	-	-	346,337	
1. Financial liabilities	-	X	-	-	-	-	X	-	X	X	-	
2. Portfolio	X	X	X	X	X	X	-	X	-	X	-	
Total liabilities	-	-	-	-	-	-	-	-	-	-	-	
1. Expected transactions	X	X	X	X	X	X	X	-	X	X	-	
2. Financial assets and liabilities portfolio	X	X	X	X	X	X	-	X	-	-	-	
Total	239,524	-	74,352	-	-	-	32,461	-	-	-	346,337	

Section 5 - Change in value of macro-hedged financial assets - Item 50

5.1 Change in value of hedged liabilities: breakdown by hedged portfolios

Change in value of macro-hedged financial liabilities/ Values	Total 31 12 2025	Total 31 12 2024
1. Positive fair value change of financial liabilities	-	-
2. Negative fair value change of financial liabilities	-	-692
Total	-	-692

As at 31 December 2024, the item included the balance of changes in value of liabilities subject to macro-hedging (macrohedging) of interest rate risk, which matured during 2025.

Section 6 – Tax liabilities – Item 60

For comments on tax liabilities, reference should be made to “Section 10 - Tax assets and tax liabilities” of the balance sheet assets.

Section 7 – Liabilities associated with disposal groups– Item 70

For the details of the liabilities associated with assets held for sale, please refer to “Section 11 - Non-current assets and disposal groups and associated liabilities” under balance sheet assets.

Section 8 – Other liabilities – Item 80

8.1 Other liabilities: breakdown

	Total 31 12 2025	Total 31 12 2024
Tax payables to the Italian tax authorities and other tax authorities	234,157	239,375
Payables to social security institutions	355,669	527,921
Amounts available to customers	80,377	81,089
Other payables to employees	18,446	15,834
In-transit items between branches	1,288	2,558
Items in processing	568,825	545,447
Debts connected with the payment of supplies of goods and services	220,061	175,896
Accruals and deferred income not attributable to a specific item	24,026	26,202
Tax consolidation payables	5,062	2,890
Other	1,326,526	1,451,956
Total	2,834,437	3,069,168

Sub-items “Items in processing” and “Other” include transactions which will be settled in the first days of 2026.

The amount recognised under the sub-item “Payables to social security institutions” includes the funding of EUR 304.6 mln in favour of the Solidarity Fund, net of the payment of the related contribution portion, made by the Bank for the management of staff reduction.

For the disclosures pursuant to IFRS 15.116 and IFRS 15.118, please refer to section 12 of the assets.

Section 9 – Provision for employee severance pay – Item 90

9.1 Provision for employee severance pay: annual changes

	Total 31 12 2025	Total 31 12 2024
A. Opening balance	69,330	68,936
B. Increases	2,313	2,378
B.1 Provision for the year	2,306	2,349
B.2 Other increases	7	29
C. Decreases	4,195	1,984
C.1 Severance payments	2,592	1,690
C.2 Other decreases	1,603	294
D. Closing balance	67,448	69,330

9.2 Other information

Employee severance pay is defined as a “defined benefit plan”, in accordance with international accounting standards.

The amount of employee termination pay (TFR), in accordance with the provisions of art. 2120 of the Italian Civil Code, would amount to EUR 70.1 mln.

The provision for the year, as clarified by the Bank of Italy, does not include amounts which, as a result of the reform introduced by Italian Legislative Decree no. 252 of 5 December 2005, are paid directly by the Bank, depending on the various employee options, to complementary pension schemes or to the treasury fund managed directly by the Italian National Social Security Institute (INPS). These items are recognised in personnel expenses, as “contributions to external pension funds: defined contribution”.

9.2.a Changes in net defined benefit liabilities during the year: Severance pay

The table below provides the information required by paragraphs 140 and 141 of IAS 19.

Item/Amount	Present value of DBO	
	31 12 2025	31 12 2024
Opening balance	69,330	68,936
Current service cost	-	-
Interest income/expense	2,306	2,349
Remeasurement of net defined benefit liability (asset):	(1,326)	29
Actuarial gains (losses) arising from changes in demographic assumptions	6	-
Actuarial gains (losses) arising from experience adjustments	(472)	(493)
Actuarial gains (losses) arising from changes in financial assumptions	(860)	522
Payments from plan	(2,592)	(1,690)
Other changes	(270)	(294)
Closing balance	67,448	69,330

Key actuarial assumptions/percentage	31 12 2025	31 12 2024
Discount rates	3.17%	2.99%
Expected rates of salary increases	2%	2%

The actuarial valuation of employee severance pay (TFR) was carried out by an independent actuary, according to the accrued benefit method, using the “*Projected Unic Credit*” criterion as required by IAS 19. The main demographic assumptions underlying the valuations concern the probability of death of members (ISTAT 2023 mortality tables reduced by 20%), the probability of leaving employment for reasons other than death of 1.10%, and a probability of early withdrawal from the fund of 2.00%. The table below summarises the main economic and financial assumptions on which the analysis is based – namely, the discount rate and the expected average revaluation rate. In particular, for the discount rate, reference was made to the interpolated EUR Composite AA curve, recorded at the valuation date, which is based on the yields of Securities issued by corporate issuers included in the “AA” rating class, belonging to different sectors, including Utility, Telephone, Financial, Bank, and Industrial, and operating in the euro area. With regard to the inflation rate, necessary for the revaluation of the amounts set aside, reference was made to what is defined in the “Medium-Term Budget Structure Plan, Italy 2025 – 2029” of 27 September 2024 (the average annual rate of expected future inflation is 1.8% for the years 2026-2027, 1.90% for the year 2028, and 2.00% for subsequent years).

9.2.c Sensitivity of defined benefit obligation of severance pay to changes in key actuarial assumptions

As required by IAS 19, the sensitivity of the severance pay obligation was tested based on the assumption that the discount rate and the revaluation rate would increase or decrease by 25 bps.

Actuarial assumptions	31 12 2025		31 12 2024	
	Absolute change in the DBO	Percentage change in the DBO	Absolute change in the DBO	Percentage change in the DBO
Discount rate				
Increase of 0.25%	(1,210)	-1.79%	(1,244)	-1.79%
Decrease of 0.25%	1,183	1.75%	1,216	1.75%
Expected average revaluation rate				
Increase of 0.25%	719	1.07%	739	1.07%
Decrease of 0.25%	(723)	-1.07%	(743)	-1.07%

Section 10 – Provisions for risks and charges – Item 100

10.1 Provisions for risks and charges: breakdown

Item/Amount	Total 31 12 2025	Total 31 12 2024
1. Provisions for credit risk on commitments and financial guarantees issued	146,500	149,622
2. Provisions for other commitments and guarantee issued	-	-
3. Post employment benefits	2,991	3,255
4. Other provisions for risks and charges	710,997	766,928
4.1 legal disputes	420,326	467,692
4.2 personnel charges	67,752	43,227
4.3 other	222,919	256,009
Total	860,488	919,804

For further details of the sub-item 4.3 “others”, please refer to table 10.6 below “Provisions for risks and charges - Other provisions”.

10.2 Provisions for risks and charges: annual changes

Item/Amount	Total 31 12 2025			
	Provisions for other commitments and guarantee issued	Post employment benefits	Other Provisions for risks and charges	Total
A. Opening balance	-	3,255	766,928	770,183
B. Increases	-	182	192,139	192,321
B.1 Provision in the year	-	87	179,014	179,101
B.2 Changes due to the time value of money	-	-	11,781	11,781
B.3 Changes due to discount rate variation	-	-	1,046	1,046
B.4 Other increases	-	95	298	393
C. Decreases	-	446	248,070	248,516
C.1 Use during the year	-	446	150,592	151,038
C.2 Changes due to discount rate changes	-	-	323	323
C.3 Other decreases	-	-	97,155	97,155
D. Closing balance	-	2,991	710,997	713,988

10.2-bis Provisions for risks and charges: annual changes

Item/Amount	Total 31 12 2025			
	Provisions for legal disputes	Provisions for personnel charges	Others Provisions	Total
A. Opening balance	467,692	43,227	256,009	766,928
B. Increases	99,540	60,894	31,705	192,139
B.1 Provision in the year	89,116	60,634	29,264	179,014
B.2 Changes due to the time value of money	9,510	239	2,032	11,781
B.3 Changes due to discount rate variation	843	21	182	1,046
B.4 Other increases	71	-	227	298
C. Decreases	146,906	36,369	64,795	248,070
C.1 Use during the year	75,903	33,815	40,874	150,592
C.2 Changes due to discount rate changes	322	1	-	323
C.3 Other decreases	70,681	2,553	23,921	97,155
D. Closing balance	420,326	67,752	222,919	710,997

For further details, please refer to Section 5 “Operational risks” of Part E of the Notes to the Financial Statements.

10.3 Provisions for credit risk relative to commitments and financial guarantees issued

	Provisions for credit risk on commitments and financial guarantees issued				
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired	Total 31 12 2025
Commitments to disburse funds	6,543	23,436	617	-	30,596
Financial guarantees issued	5,857	5,102	104,935	10	115,904
Total 31 12 2025	12,400	28,538	105,552	10	146,500
Total 31 12 2024	12,374	20,924	108,242	8,082	149,622

10.4 Provisions on other commitments and guarantees given

As at 31 December 2025, as at 31 December 2024, the Bank does not have any provisions for these types of commitments and guarantees.

10.5 Defined benefit company pension funds

10.5.1. Description of funds and related risks

The information provided below concerns defined benefit pension funds in favour of employees, whether in service or retired from the Bank, for which the obligation for the future payment of pension benefits is borne by the funds and indirectly by the Bank, which may be called upon to increase the value of the obligation in the event of inadequate capital assessed according to actuarial criteria.

For each defined benefit plan the Bank relies on analyses carried out by an independent certified actuary.

In accounting for plans, the determination of the surplus or deficit is estimated through the use of the actuarial methodology of the "projected unit credit method"; therefore, from the present value of the obligation as shown in the statement of financial position, the fair value of the plan assets, if any, is deducted. For more information, see Part A of these Notes to the financial statements.

The valuations concerning the members, who form a closed group of employees in service and those who have left, were carried out on the basis of the groups present in December 2025.

In accordance with IAS 19, in determining the total cost of each defined benefit plan, which - as is well-known - may be influenced by many variables, objective and prudential technical bases were adopted in formulating both demographic and financial assumptions.

In view of the evolutionary nature of the main relevant aggregates, actuarial valuations were performed under dynamic conditions, so as to subsume in the medium-long term both the average annual changes in the benefits defined in each plan, and the interest rate trends expected in the financial markets.

The main actuarial assumptions used as the basis for the valuation include:

- technical mortality basis: the death probabilities from the ISTAT 2023 tables, broken down by gender and age, were used, with mortality reduced by 30% for the funds and by 25% for the Cassa di Previdenza Aziendale for the staff of Monte dei Paschi di Siena only, to take into account the longevity risk;
- economic-financial basis: as the annual relative interest rate, the interpolated EUR Composite AA curve as at 31 December 2025 was used.

For each defined benefit plan, the shareholders' equity in the balance sheet resulting from valuations after actuarial reconciliation of liabilities and assets as at 31 December 2025 was therefore subjected to sensitivity analysis to reflect changes in the main technical assumptions included in the calculation model (average annual discount rate and inflation rate), and the results were presented in specific tables.

The defined benefit funds, in which the Bank is co-obliged within the limits set out in the by-laws or in the regulations of each fund, are independent external funds.

The merger of defined benefit pension schemes within section B of the Monte dei Paschi di Siena Pension Fund, carried out in 2023, does not alter the Bank's pension obligations, which therefore recognises net liabilities where there is an equity deficit in the MPS Fund and, similarly, recognises net assets in the presence of a *surplus*.

Monte dei Paschi di Siena Pension Fund

(Bank Register no. 1643)

The Fund has legal status and full independence in terms of capital and operation.

The Fund's governance consists of a Board of Directors and a Board of Statutory Auditors with joint membership (some of the members are appointed by the Bank and others are appointed by the participants) supported by the General Manager.

The Bank provides, free of charge, the employees, premises and other resources required for the autonomous management of the Fund and incurs all the related costs and expenses, including those for the functioning of the governing and control bodies.

The Fund, albeit in its subjective unitary nature, is divided into two separate Sections for accounting and equity purposes: Section A, defined contribution with individual capitalisation, which operates according to criteria of

correspondence between accumulation and benefits; Section B, defined benefit or collective capitalisation, to which the assets pertaining to the ex defined benefit funds are allocated.

In terms of guarantees given, in accordance with Article 42 of the By-laws, any shortfall in the cover capital of Section B that may emerge from the periodic audits will be settled by the Bank in relation to the joint guarantee towards members and third parties assumed by the Bank itself.

The assets that make up the reference assets are managed in a separate section set up for this purpose.

The technical financial statements prepared according to IAS 19 by the appointed actuary shows the capital adequacy of Section B.

Section B of the Fund is single and indivisible and continues to pay benefits without interruption, as set out in the regulations and by-laws of the former funds merged into it. Each benefit is specifically defined according to the applicable rules, but each individual benefit draws on the common assets of Section B.

The following table summarises, for each of the former defined benefit funds merged into Section B of the Monte dei Paschi di Siena Pension Fund, the populations (retirees, active and deferred members), defined benefit obligations (Defined Benefit Obligation), asset fair value (Asset Fair Value) and any surplus as at 31 December 2025.

	Retired	Active	Deferred	Asset Fair Value (Eur/mln)	Defined Benefit Obligation (Eur/mln)	Surplus (Eur/mln)
Supplementary pension provision for staff in the former tax collection division of Banca Monte dei Paschi di Siena S.p.A. (Register no. 9185)	238	0	0		10.14	
Treatment of INPS (Italian state pension Institute) performance for former Banca Operaia di Bologna staff (Bank Register no.9142)	58	0	0		3.89	
Pension provision for employees of former Banca di Credito Popolare e Cooperativo di Reggio Emilia (Bank Register no.9178)	5	0	0		0.38	
Pension provision for employees of former Banca Popolare Veneta (Bank Register no. 9066).	7	0	0		0.12	
Pension fund for MPS Capital Services Banca per le Imprese S.p.A. (Register no.9134)	23	0	0		1.38	
Pension provision for employees of former Banca Nazionale Agricoltura (Bank Register no. 9047))	158	0	3		5.82	
Complementary pension provision for employees of former Banca Toscana (Bank Register no. 9110))	587	3	0		44.61	
Pension Fund for personnel of former Banca Agricola Mantovana S.p.A. (Bank Register no. 1341)	23	0	0		0.44	
Pension Fund for personnel of former Banca Antonveneta S.p.a. (Register no. 1033)	21	0	0		1.00	
TOTAL	1,120	3	3	80.22	67.78	12.44

Company pension fund for personnel of Monte dei Paschi di Siena
(Bank Register no. 1127)

The Fund has legal status and full independence in terms of capital and operation.

It is reserved to employees and retirees of the Bank hired up to 31 December 1990 who, following the agreement of 30 June 1989, opted to remain in the specific supplementary benefit Section under a defined benefit regime.

The Fund's governance consists of a Board of Directors and a Board of Statutory Auditors with joint membership (some of the members are appointed by the Bank and others are appointed by the participants) supported by the General Manager.

The Bank provides, free of charge, the employees, premises and other resources required for the autonomous management of the Cassa and incurs all the related costs and expenses, including those for the functioning of the governing and control bodies.

In terms of guarantees given, in accordance with art. 26 of the Articles of Association, any deficits in Section coverage which should be identified during actuarial checks will be made up by the Bank only to the extent necessary to maintain tier 1 services, in accordance with the guarantee to the participants undertaken in compliance with Italian Law no. 218/90 and referred to in the agreement of 24 June 1991.

The supplementary benefits, which are determined by subtracting the benefits paid out by INPS from the annual amount of the supplementary benefits, are made up of two components. The first component increases the benefits to be paid by the Cassa up to 70% of the fixed items of the salary of an employee of the same level, and the second component increases the supplementary benefits by a further 9%.

The assets that comprise the reference capital consist primarily of investments in securities, managed almost entirely under a financial management agreement, and properties.

The population is composed of 2,001 retirees, 80 active members and 13 deferred members.

The technical report prepared in accordance with IAS 19 by the designated actuary shows the capital adequacy of the Supplementary Section, which, with an asset fair value (Asset Fair Value) – calculated based on the last available value (30 November 2025) – of EUR 238.2 mln, is offset by a defined benefit obligation (DBO) as at 31 December 2025 of EUR 51.6 mln.

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The defined benefit pension fund for personnel of the London branch (BMPS UK Pension Fund) is designed to pay for the employees' benefits upon reaching normal retirement age as well as benefits to other surviving beneficiaries. The pension plan is administered by a Trustee, whose members also include active employees; the financial resources are managed by a specialised company. The technical report prepared in accordance with IAS 19 criteria by the designated actuary, as at the valuation date of 31 December 2025, shows the capital adequacy of the plan which, with an asset fair value (*Asset Fair Value*) of EUR 36.6 mln, offsets a DBO (*Defined Benefit Obligation*) of EUR 30.7 mln.

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With reference to supplementary benefits relating to the former Credito Lombardo S.p.A., given the contractual nature of the obligation, the related costs are borne directly by the Bank. The currently limited number of individuals entitled to benefits concerns a total of 59 immediate pensions, of which 40 are direct and 19 are indirect. The actuarial calculations at the valuation date of 31 December 2025 show a DBO (Defined Benefit Obligation) of EUR 1.25 mln.

Finally, there is one position referring to a former General Manager of the Bank to whom specific economic benefits other than pension benefits are disbursed. In any event, they are assessed on the basis of actuarial parameters in order to determine the value of the Bank's obligation. This type of remuneration, specified contractually, consists in the payment of monthly benefits revalued on the basis of automatic pension equalisation indexes.

10.5.2 Changes in net defined liability (asset) and reimbursement rights during the financial year

The following tables show movements for the financial year in internal and external funds which, according to international accounting standards, come under the heading of defined benefit funds.

10.5.2a Changes in net defined liability (asset) and reimbursement rights during the year: Internal Funds

Items/Amounts	31 12 2025			
	A (-)	B (+)	C (+)	D=A+B+C
	Plan assets	Present value of the DBO	Limit on the availability of a net asset (asset ceiling)	Net defined benefit liability/asset
Opening balance	-	3,255	-	3,255
Pension cost relating to current service benefits	X	-	X	-
Interest income/expense	-	87	-	87
Remeasurement of net defined benefit liability/asset:	-	95	-	95
Return on plan assets net of interest	-	X	X	-
Actuarial gains/losses arising from changes in demographic assumptions	X	134	X	134
Actuarial gains/losses arising from past experience	X	(29)	X	(29)
Actuarial gains/losses arising from changes in financial assumptions	X	(10)	X	(10)
Changes in the effect of limitations on the availability of a net defined benefit asset	X	X	-	-
Pension cost for past service benefits	X	-	X	-
Exchange differences	-	-	-	-
Contributions:	-	-	-	-
Paid by the employer	-	-	X	-
Paid by employees	-	-	X	-
Payments made by the plan	-	(446)	X	(446)
Effects of business combinations and disposals	-	-	-	-
Effect of curtailments	-	-	X	-
Effect of settlements	-	-	X	-
Other changes	-	-	-	-
Closing balance	-	2,991	-	2,991

The value of the net defined benefit liabilities reported in the "Opening balance" line is attributable to the former Credito Lombardo S.p.A. and the former Provveditore, which were excluded from the merger of internal *funded* and *unfunded* funds into section B of the MPS Pension Fund that took place in 2023.

Item/Amount	31 12 2024			
	A (-)	B (+)	C (+)	D=A+B+C
	Plan assets	Present value of DBO	Effect of asset ceiling	Net defined benefit liability (asset)
Opening balance	-	3,381	-	3,381
Current service cost	X	-	X	-
Interest income/expense	-	110	-	110
Remeasurement of net defined benefit liability (asset):	-	224	-	224
Return on plan assets excluding interest	-	X	X	-
Actuarial gains (losses) arising from changes in demographic assumptions	X	-	X	-
Actuarial gains (losses) arising from experience adjustments	X	147	X	147
Actuarial gains (losses) arising from changes in financial assumptions	X	77	X	77
Changes in effect of limiting net defined benefit asset to asset ceiling	X	X	-	-
Past service cost and gains (losses) arising from settlements	X	-	X	-
Changes in foreign exchange rates	-	-	-	-
Contributions to plan:	-	-	-	-
by employer	-	-	X	-
by employee	-	-	X	-
Payments from plan	-	(460)	X	(460)
Effect of business combinations and disposals	-	-	-	-
Effect of any plan curtailments	-	-	X	-
Effect of any plan settlements	-	-	X	-
Other changes	-	-	-	-
Closing balance	-	3,255	-	3,255

10.5.2b Changes in net defined liability (asset) and reimbursement rights during the year: External Funds

Item/Amount	31 12 2025			
	A (-)	B (+)	C (+)	D=A+B+C
	Plan assets	Present value of DBO	Effect of asset ceiling	Net defined benefit liability (asset)
Opening balance	(372,568)	160,503	212,066	-
Current service cost	X	-	X	-
Interest income/expense	(12,758)	5,585	7,173	-
Remeasurement of net defined benefit liability (asset):	12,176	1,014	(13,190)	-
Return on plan assets excluding interest	12,176	X	X	12,176
Actuarial gains (losses) arising from changes in demographic assumptions	X	4,587	X	4,587
Actuarially gains (losses) arising from experience adjustments	X	(2,248)	X	(2,248)
Actuarial gains (losses) arising from changes in financial assumptions	X	(1,325)	X	(1,325)
Change in effect of limiting net defined benefit asset to asset ceiling	X	X	(13,190)	(13,190)
Past service cost and gains (losses) arising from settlements	X	-	X	-
Changes in foreign exchange rates	2,010	(1,651)	(359)	-
Contributions to plan:	-	-	-	-
by employer	-	-	X	-
by employee	-	-	X	-
Payments from plan	15,331	(15,331)	X	-
Effect of business combinations and disposals	-	-	-	-
Effect of any plan curtailments	-	-	X	-
Effect of any plan settlements	-	-	X	-
Other changes	791	-	(791)	-
Closing balance	(355,018)	150,120	204,899	-

Item/Amount	31 12 2024			
	A (-)	B (+)	C (+)	D=A+B+C
	Plan assets	Present value of DBO	Effect of asset ceiling	Net defined benefit liability (asset)
Opening balance	(379,868)	170,290	209,578	-
Current service cost	X	-	X	-
Interest income/expense	(17,694)	5,690	12,004	-
Remeasurement of net defined benefit liability (asset):	9,995	(570)	(9,425)	-
Return on plan assets excluding interest	9,995	X	X	9,995
Actuarial gains (losses) arising from changes in demographic assumptions	X	2	X	2
Actuarially gains (losses) arising from experience adjustments	X	1,402	X	1,402
Actuarial gains (losses) arising from changes in financial assumptions	X	(1,974)	X	(1,974)
Change in effect of limiting net defined benefit asset to asset ceiling	X	X	(9,425)	(9,425)
Past service cost and gains (losses) arising from settlements	X	-	X	-
Changes in foreign exchange rates	(2,101)	1,679	422	-
Contributions to plan:	-	-	-	-
by employer	-	-	X	-
by employee	-	-	X	-
Payments from plan	16,586	(16,586)	X	-
Effect of business combinations and disposals	-	-	-	-
Effect of any plan curtailments	-	-	X	-
Effect of any plan settlements	-	-	X	-
Other changes	514	-	(513)	-
Closing balance	(372,568)	160,503	212,066	-

10.5.2c Changes in net defined liability (asset) and reimbursement rights during the year: total

Item/Amount	31 12 2025			
	A (-)	B (+)	C (+)	D=A+B+C
	Plan assets	Present value of DBO	Effect of asset ceiling	Net defined benefit liability (asset)
Internal funds	-	2,991	-	2,991
External funds	(355,018)	150,120	204,899	-
Total defined benefit funds	(355,018)	153,111	204,899	2,991

Item/Amount	31 12 2024			
	A (-)	B (+)	C (+)	D=A+B+C
	Plan assets	Present value of DBO	Effect of asset ceiling	Net defined benefit liability (asset)
Internal funds	-	3,255	-	3,255
External funds	(372,568)	160,501	212,067	-
Total defined benefit funds	(372,568)	163,756	212,067	3,255

10.5.3 Information on the fair value of plan assets

Item	31 12 2025			
	Internal pension plans		External pension plans	
	Listed in active markets	Not listed in active markets	Listed in active markets	Not listed in active markets
Cash and cash equivalents	-	-	107,671	-
of which: used by the Bank	-	-	-	-
Equity instruments	-	-	23,344	-
of which: used by the Bank	-	-	-	-
Debt instruments	-	-	155,202	-
of which: used by the Bank	-	-	-	-
Real estate	-	-	-	43,159
of which: used by the Bank	-	-	-	-
Derivatives	-	-	-	-
UCITS	-	-	25,642	-
Asset-backed securities	-	-	-	-
Structured debt	-	-	-	-
Total	-	-	311,859	43,159
<i>of which: own instruments/assets used by the Bank</i>	-	-	-	-

The table shows, for funded defined benefit plans, the total amount of plan assets. In particular, the assets refer to the following funds:

- Cassa di Previdenza Aziendale for Monte dei Paschi di Siena employees, defined benefit section,
- Pension fund for personnel of the Parent Company of the London branch;
- Monte dei Paschi di Siena Pension Fund Section B.

All funds are in excess of existing obligations at the end of the financial year.

Item	31 12 2024			
	Internal pension plans		External pension plans	
	Listed in active markets	Not listed in active markets	Listed in active markets	Not listed in active markets
Cash and cash equivalents	-	-	109,150	-
of which: used by the Bank	-	-	-	-
Equity instruments	-	-	37,191	-
of which: used by the Bank	-	-	-	-
Debt instruments	-	-	143,729	-
of which: used by the Bank	-	-	-	-
Real estate	-	-	-	36,224
of which: used by the Bank	-	-	-	-
Derivatives	-	-	-	-
UCITS	-	-	46,274	-
Asset-backed securities	-	-	-	-
Structured debt	-	-	-	-
Total	-	-	336,344	36,224
of which: own instruments/assets used by the Bank	-	-	-	-

10.5.4 Key actuarial assumptions used

Key actuarial assumptions/percentages	31 12 2025		31 12 2024	
	Defined benefit funds		Defined benefit funds	
	Internal pension plans	External pension plans	Internal pension plans	External pension plans
Discount rates	3.06%	3.94%	2.86%	3.67%
Expected rates of salary increases	2.00%	2.18%	2.00%	2.22%

A rate of 3.06% was used for internal plans and 3.94% for external ones (3.17% for the Provision for severance pay, see table 9.2b), calculated as a weighted average of the rates of the EUR Composite AA curve as at 31 December 2025, using as weights the ratios between the amount paid and advanced for each maturity and the total amount to be paid and advanced until the extinction of the population considered. The Eur composite AA curve is obtained daily through the information provider of Boomberg and refers to a basket of Securities issued by Corporate “investment grade” issuers included in the “AA” rating class resident in the euro area and belonging to different sectors, including Utility, Telephone, Financial, Bank and Industrial. The above-mentioned curve expresses the market yields of the securities of leading companies in the country where the Bank operates, in line with the provisions contained in IAS 19..

10.5.5 Information on amount, timing and uncertainty of cash flows

31 12 2025

Actuarial assumption	Change in DBO	Change (%) in DBO
Discount rate		
Increase of 0.25%	(4,460)	-2.74%
Decrease of 0.25%	4,337	2.66%
Expected average revaluation rate		
Increase of 0.25%	2,373	1.46%
Decrease of 0.25%	(2,718)	-1.67%

31 12 2024

Actuarial assumption	Change in DBO	Change (%) in DBO
Discount rate		
Increase of 0.25%	(4,458)	-2.72%
Decrease of 0.25%	4,310	2.63%
Expected average revaluation rate		
Increase of 0.25%	2,581	1.58%
Decrease of 0.25%	(2,944)	-1.80%

10.5.6 Plans covering multiple employers

The table in this section was not completed since there are no plans covering multiple employers to report for either the current or previous year.

10.5.7 Defined benefit plans sharing risks among entities under common control

The table in this section was not completed since there are no defined benefit plans sharing risks among entities under common control to report for either the current or previous year.

10.6 Provisions for risks and charges: other provisions

Items/Amounts	Total 31 12 2025	Total 31 12 2024
2.1 Legal and tax disputes	420,326	467,692
- Revocatory	11,942	13,943
- Other legal disputes	396,285	441,736
- Tax disputes	12,099	12,013
2.2 Personnel charges	67,752	43,227
- Job disputes	10,946	14,119
- Leaving incentives	801	915
- Other	56,005	28,193
2.3 Other	222,919	256,009
- Risks related to the sale of business units	5,684	5,672
- Charges due to corporate restructuring	312	2,492
- Payments to financial advisors	1,444	2,810
- Compensations due to credit sale operations	97,012	104,658
- Charges for embezzlement	65	734
- Claims and Court agreements	9,606	11,182
- Compensation initiative connected to the offers of diamonds	1,503	1,720
- Claw back clause (IFRS 15)	14,433	14,234
- Customer reimbursement	4,759	6,268
- Estimated legal fees for legal assistance services	28,321	30,804
- Other	59,780	75,435
Total	710,997	766,928

The amount of EUR 97.0 mln (EUR 104.6 mln as at 31 December 2024) recognised in the line “Indemnities related to contractual guarantees” represents the provision allocated to cover risks related to contractual guarantees issued as part of derisking transactions of non-performing loans.

The amount of EUR 56.0 mln recognised in the line ‘Personnel Expenses - Other’ includes the allocation for the new personnel incentive scheme.

10.7 Contingent liabilities

Typology	31 12 2025	31 12 2024
Legal and tax disputes	1,429,578	1,725,950
Revocatory	605	5,424
Other legal disputes	1,411,049	1,697,250
Tax disputes	17,924	23,276
Personnel charges	5,350	12,521
Job disputes	5,350	12,521
Others	254,189	271,817
Total	1,689,117	2,010,288

A contingent liability is defined as i) a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not totally under control, or ii) a current obligation that arises from past events but is not recognised because use of resources aimed at producing economic benefits will likely not be required to settle the obligation or because the amount of the obligation cannot be measured with sufficient reliability.

Contingent liabilities are not subject to recording but, if deemed “possible”, are solely subject to disclosure. Conversely, contingent liabilities that are deemed to be of “remote” likelihood do not require any disclosure, pursuant to the provisions of IAS 37. Hence, the table above shows only “possible” liabilities.

Similar to “probable” liabilities, contingent liabilities are also monitored because they may, over time, become “remote” or “probable”, with the need, in the latter case, to make the necessary provisions.

In this context, it should be noted that the classification of contingent liabilities and the relative amount is based on non-objective judgements that require recourse to sometimes extremely complex estimation procedures; therefore, they may be subject to redetermination over time.

Specifically, in reference to the dispute, the table shows the relief sought, where quantified; this value cannot be considered a measurement of the expected disbursement in accordance with IAS 37. In fact, the Bank does not deem it practical to provide an estimate of the expected disbursement, as the calculation would be complex and onerous.

For further details, please refer to Section 1.5 “Operational risks” of Part E in the Notes to the Financial Statements.

Section 11 - Redeemable shares - Item 120

The tables in this section have not been completed as no data is present for the current financial year or for the previous financial year.

Section 12 - Corporate assets - Items 110, 130, 140, 150, 160, 170, 180

12.1 “Share capital” and “Treasury shares”: breakdown

12.1.a “Share capital” breakdown

Items/Amounts	31 12 2025		31 12 2024	
	Implied par value share (a)	Par value of fully paid shares	Par value per share	Par value of fully paid shares
Ordinary shares	5.92	17,978,187,186	5.92	7,453,450,788
Total		17,978,187,186		7,453,450,788

On 6 June 2011 the Bank’s Extraordinary Shareholders’ Meeting resolved that indication of the nominal value of the classes of shares be eliminated; accordingly, as at 31 December 2011, the so-called “Implied nominal value” is indicated, which is obtained by dividing the total share capital amount by the number of shares in the same category, outstanding at the reference date.

Ordinary shares are registered and indivisible. Each share entitles to one vote. Information on the number of fully paid-up shares can be found in the notes to Table 12.2, “Share capital – number of shares: annual changes”.

12.1.b “Treasury shares”: breakdown

As at 31 December 2025, as in the comparative financial year, the Bank held no treasury shares.

12.2 Share capital - Number of shares: annual changes

Item/Type	31 12 2025	31 12 2024
	Ordinary	Ordinary
A. Shares outstanding as at the beginning of the year	1,259,689,706	1,259,689,706
- fully paid	1,259,689,706	1,259,689,706
- not fully paid	-	-
A.1 Treasury shares (-)	-	-
A.2 Shares outstanding: opening balance	1,259,689,706	1,259,689,706
B. Increases	1,778,728,477	-
B.1 New issuances	1,778,728,477	-
- Against payment:	1,778,728,477	-
- Business combinations	1,778,728,477	-
- Bond converted	-	-
- warrants exercised	-	-
- other	-	-
- without payment:	-	-
- to employees	-	-
- to directors	-	-
- other	-	-
B.2 Sale of treasury shares	-	-
B.3 Other increases	-	-
C. Decreases	233,002	-
C.1 Cancellation	-	-
C.2 Purchase of treasury shares	-	-
C.3 Business transferred	-	-
C.4 Other decreases	233,002	-
D. Shares outstanding: closing balance	3,038,185,181	1,259,689,706
D.1 Treasury shares (+)	233,002	-
D.2 Shares outstanding as at the end of the year	3,038,418,183	1,259,689,706
- fully paid	3,038,418,183	1,259,689,706
- not fully paid	-	-

During the 2025 financial year, as part of the voluntary public tender and exchange offer (OPAS) launched by Banca MPS for all Mediobanca ordinary shares, 1,778,728,477 ordinary shares were issued, with no nominal value, with regular dividend rights and the same characteristics as the Banca MPS shares outstanding as at the issue date;

As at the reference date of these financial statements, taking into account the changes that occurred, the Bank's share capital amounts to EUR 17,978,187,187, represented by 3,038,418,183 ordinary shares with no indication of nominal value, all outstanding.

At the date of these financial statements, the share capital is fully paid in.

12.3 Share capital: other information

12.3.a Equity instruments: breakdown and annual changes

As at 31 December 2025, as in the comparative financial year, the Bank does not hold equity instruments.

12.4 Retained earnings: other information

12.4.a Item "Reserves" - breakdown

Reserve amount to EUR 3,754.2 mln and and comprise the legal reserve, the extraordinary reserve, the statutory reserve, the reserve established in accordance with Article 6 of Legislative Decree no. 38/2005 and other reserves; the latter include: i) the reserve under art. 26, paragraph 5-bis, of Italian Decree Law no. 104/2023 converted into Law no. 136/2023 (the so-called locked reserve); ii) the reserve established as a contra-entry to the liability recognised for the extraordinary contribution for the tax redemption of the locked excess, as permitted by the transitional provisions set out in Law 199/2025 (Article 1, paragraphs 69 to 73); iii) the reserve established following the capital increase carried out in connection with the acquisition of the Mediobanca Group and iv) the reserves arising from surplus and deficits resulting from mergers with subsidiaries carried out in previous financial years.

Valuation reserves amounting to EUR 38.2 mln include the reserves relating to financial assets measured at fair value through other comprehensive income, cash flow hedging derivatives, changes related to the own creditworthiness of financial liabilities measured at fair value through profit or loss, remeasurements of net liabilities (assets) for defined benefit plans, changes related to exchange differences on the end-of-period endowment funds of foreign branches, as well as reserves arising from special revaluation laws and from the revaluation of property under IAS 16.

It should be noted that during 2025, the following reserves were generated:

- a total reserve amounting to EUR 4,284.4 mln, of which EUR 3,146.6 mln allocated to the Share premium reserve, net of ancillary costs and related tax effects, and EUR 1,137.6 mln to Other reserves, following the capital increase carried out in support of the acquisition of the Mediobanca Group.
- an unavailable reserve against the liability recognised for the tax redemption of the locked reserve, as permitted by the transitional provisions set out in Law 199/2025 (art. 1, paragraphs 69 to 73), amounting to EUR 84.9 mln;

In addition to the aforementioned establishment of reserves, the pre-existing reserves were subject to the following changes during the year, as resolved by the Bank's Ordinary Shareholders' Meeting of 17 April 2025:

- increase in the legal reserve through the allocation of a 10% portion of the 2024 profit for the year, amounting to EUR 192.3 mln, aimed at restoring the legal reserve to 1/5 of the share capital, as provided for by article 2430 of the Italian Civil Code and article 31 of the Bank's By-laws;
- increase in the statutory reserve through the allocation of a 15% portion of the 2024 profit for the year, amounting to EUR 288.4 mln, as provided for by art. 31 of the Bank's By-laws;
- allocation to the extraordinary reserve of the remaining profit for 2024, amounting to EUR 338.9 mln;
- adjustment of the unavailable reserve established in accordance with Article 6 of Legislative Decree no. 38/2005 by an amount of EUR 20.0 mln,
-

Lastly, during the year, equity securities for which the Bank had exercised the option to recognise changes in fair value in the statement of comprehensive income (OCI election) were sold. This resulted in the transfer to profit reserves of changes in fair value previously recognised in valuation reserves, for a positive amount of EUR 6.2 mln.

In accordance with IAS 1, paragraph 79(b), and art. 2427, paragraphs 7-bis and 22-septies of the Italian Civil Code, the following information is provided:

- the summary of equity items broken down by their origin, indicating their availability for use and distributability, as well as their utilisation in the previous three financial years;
- the proposed allocation of profit or coverage of the loss for the year.

12.4 b Information on Equity items under art. 2427 par. 7 bis of the Italian Civil Code

	Note	31 12 2025	Under tax suspension	Available for use	Amounts used in the last 5 years to cover losses
110 Valuation reserves					
Equity instruments measured at fair value through other comprehensive income		(14,147)			
Financial assets (other than equity instruments) measured at fair value through other comprehensive income		(19,099)			
Cash flow Hedges	(1)	11,858			
Exchange differences	(1)	1,600			
Actuarial gains (losses) on defined benefit plans		(45,853)			
Valuation reserve of own credit risk	(1)	2,495			
Valuation reserve on tangible assets	(1)	101,385			
Valuation reserves		38,239			
130 Equity Instruments					
Equity instruments					
- Legal reserve	(4)	394,442		B	
- Statutory reserve		591,663		ABC	
- Extraordinary reserve		823,915		ABC	
- Reserve ex Art. 26 Decree-Law 104/2023 conv. L. 136/2023	(2)	308,881		AB	
- Extraordinary contribution Art.1 para.69 L.199/2025 on reserve ex Art.26 DL conv. L.136/2023	(2)	(84,942)			
- Reserve ex art 6 lett a) D.lgs. 38/05 (fair value option)	(3)	72,667		B	
- others reserves from M&A operations		1,137,655		ABC	
- MPSCS spin-off minus reserve		501,211		ABC	130,573
- Adjustment AMCO spin-off reserve		-			196,187
- Reserve of retaining earnings as at 30 June 2022		-			96,965
- Reserve of equity instruments classified to other comprehensive income reserve transferred to other component of equity		7,369		ABC	
- Other reserves		1,374		ABC	
Reserves		3,754,235			423,725
150 Share premium reserve					
Share premium reserve		3,146,576	-	AB	
160. Share capital					
Share capital		17,978,187			4,240,893
170. Treasury shares					
Treasury shares		-	-		-
180. Profit (Loss) for the year					
Profit (Loss) for the year		3,104,816	-		-
Total shareholders' equity		28,022,054	-		4,664,618

Key

- A) For capital increase
- B) To cover losses
- C) For distribution to shareholders

Notes:

- 1) The reserve is unavailable pursuant to art. 6, paragraph 2, of Italian Legislative Decree no. 38/2005;
- 2) The reference to the reserve under art. 26, paragraph 5-bis of Italian Decree Law no. 104/2023 converted into Law no. 136/2023, it was resolved to release it pursuant to the provisions set out in art. 1, paragraphs 69 to 73, of Italian Law no. 199/2025, to be completed through payment by 30 June 2026 of an extraordinary contribution at a reduced rate (equal to 27.5% of the reserve existing as at 31 December 2025, totalling EUR 84.9 mln) and its subsequent settlement in the 2025 income tax return. The completion of the transfer will result in the non-application of the legal presumption provided for by paragraph 5-ter of art. 26 of Legislative Decree 104/2023 (introduced by art. 1, paragraph 68, of Law no. 199/2025) which, with effect from the distributions of profits made from 1 January 2029, would have entailed the obligation to pay the extraordinary tax (at a rate of 40%) provided for by the aforementioned art. 26 of Legislative Decree 104/2023 (tax that had been suspended thanks to the constitution of the reserve). As a result of the release, therefore, the reserve will be freely distributable. For further information, please refer to the paragraph "The Group's tax position" in the Consolidated Report on Operations;
- 3) The reserve can be used to cover losses for the year only after the available profit reserves and the legal reserve have been used in accordance with Article 6 of Legislative Decree No. 38/05. This is then replenished by provisioning profits from subsequent years.
- 4) The reserve is available to cover losses only after the other reserves have been used, with the exception of the reserves referred to in Article 6, paragraph 2, of Legislative Decree No. 38/2005.

12.4.c Proposal to cover losses under art. 2427, par. 22-septies of the Italian Civil Code

Dear Shareholders:

You have been called to the Ordinary Shareholders' Meeting to resolve upon the following topic put on the agenda under point 1):

1.1) Approval of the Parent Company's 2025 financial statements;

Pursuant to Article 2364 of the Italian Civil Code and to articles 13 and 30 of the By-laws of Banca Monte dei Paschi di Siena S.p.A. (the "**Bank**" or the "**Parent Company**"), the Shareholders' Meeting is called to resolve on the approval of the Bank's financial statements for the year ended 31 December 2025, which show a net profit of EUR 3,104,816,452.59.

Moreover, the Shareholders' Meeting is presented with the consolidated financial statements of Monte dei Paschi di Siena Group as at 31 December 2025, which closed with a net profit of EUR 2,711,329,415, of which EUR 2,715,706,903 pertaining to the Parent Company.

First, it should be recalled that Article 26 of Italian Decree Law no. 104 of 10 August 2023 (converted, with amendments, into Law no. 136 of 9 October 2023) introduced an extraordinary tax payable by banks, determined by applying a rate of 40% to the amount of net interest income for 2023 exceeding by at least 10% the net interest income for 2021; the amount of such tax could not exceed a share equal to 0.26% of risk-weighted assets as at 31 December 2022. The provision also stipulated that, instead of paying the tax, banks could allocate an amount no less than 2.5 times the tax due to a specifically identified non-distributable reserve.

In this regard, the Bank's Ordinary Shareholders' Meeting of 11 April 2024 resolved - in view of the option granted by law to strengthen the corporate capital - to allocate to a specific reserve (Unavailable reserve under Article 26 of Italian Decree Law no. 104 of 10/08/2023, converted into Law no. 136 of 09/10/2023 - the so-called "**2023 Reserve**") the amount of EUR 308,881,204.08.

In this respect, Law no. 199 of 30 December 2025 introduced under Article 1:

- i) under paragraph 68, a legal presumption of priority distribution, which, with effect from the profit distributions made as of 1 January 2029, entails the obligation to pay the extraordinary tax (at the rate of 40%) provided for by the aforementioned Article 26 of Italian Decree Law no. 104 of 10 August 2023, previously suspended through the establishment of the 2023 Reserve; and
- ii) under paragraphs 69 to 73, a transitional regime that allows the above-mentioned legal presumption to be disapplied, on condition that the 2023 Reserve is subject to a special contribution at a concessionary rate (the "**Contribution**"), in an amount equal to:
 - a) 27.5% of the reserve existing as at 31 December 2025, to be paid by 30 June 2026,
 - b) 33% of the reserve existing as at 31 December 2026, to be paid by 30 June 2027.

In relation to the above, it should be noted that on 22 January 2026 the Bank's Board of Directors resolved to approve the release of the 2023 Reserve through payment, to be made by 30 June 2026, of the Contribution amounting, pursuant to the aforementioned provisions, to EUR 84,942,331.12. The liability arising from the Contribution was recognised with a corresponding entry under "Reserves: other" within shareholders' equity. It follows that the Bank's shareholders' equity as at 31 December 2025 includes a negative reserve equal to the aforementioned amount of the Contribution.

1.2) Profit allocation and dividend distribution to Shareholders.

As anticipated on 10 February 2026, the Bank's Board of Directors informed the market regarding the distribution of the dividend. On 10 March 2026, the Board of Directors resolved to propose to the Shareholders' Meeting the payment of a dividend under the terms and conditions set out below.

It should be noted that this proposed profit distribution to Shareholders, refers to the By-Laws as amended and approved by the Extraordinary Shareholders' Meeting of the Bank held on 4 February 2026, with a vote in favour of 99.92% of the share capital represented, authorised by the European Central Bank and notified to the Bank on 4 March 2026¹⁵⁵, and filed and registered with the Arezzo-Siena Companies Register on 5 March 2026. In particular, as far as this Report is concerned, the amendments to the By-law concern the reduction to the statutory minimum (5%) of the percentage of

¹⁵⁵ See press release of 4 February 2026 and press release of 4 March 2026, available on the institutional website www.gruppompis.it under the *Investor Relations* – Press Releases section

profits to be allocated to the legal reserve and the elimination of the statutory reserve (Article 31, paragraph 1, letter a) and letter b) of the By-Laws).

It is therefore proposed that the Shareholders' Meeting resolve on the distribution of the profit for the year 2025, according to the allocation indicated below, in compliance with the laws and regulations in force.

In this regard, please note that:

- Article 2430 of the Italian Civil Code states that an amount corresponding to at least the twentieth part of the annual net profits must be deducted from them to constitute the legal reserve, until the latter has reached one-fifth of the share capital;
- Article 31 of the By-Laws of the Bank, as amended by the Extraordinary Shareholders' Meeting of the Bank held on 4 February 2026, provides that:
 - “1. the net profits shown in the financial statements are allocated as follows: 1% to the legal reserve, until it has reached one-fifth of the share capital.
 2. The residual net profits are available to the Shareholders' Meeting for distribution to Shareholders and/or for the creation and growth of other reserves”.
- Article 6 of Legislative Decree no. 38/2005 states that: (i) “profits for the year may not be distributed to the extent of the capital gains recognised in the Income statement, net of the relevant tax burden and other than those relating to financial trading instruments if resulting from the financial statements and to foreign exchange and hedging transactions, which arise from the application of the fair value criterion (fair value) or Shareholders' equity” (paragraph 1, letter a); (ii) “the profits corresponding to such capital gains are recognised in an unavailable reserve” (paragraph 2); and (iii) “the reserve pursuant to paragraph 2 shall be reduced by an amount corresponding to the capital gains realised, including through amortisation, or which have become non-existent as a result of depreciation” (paragraph 3). In this regard, as at 31 December 2024 the unavailable reserve, pursuant to paragraph 2, amounted to EUR 72,667,229.92. In relation to the movements recorded during the year for assets and liabilities measured at fair value in financial year 2025, the unavailability restriction established in previous years decreased by an amount equal to EUR 16,680,420.33, making this amount available for distribution pursuant to paragraph 3.

In light of these regulatory requirements, taking into account the reduction of the unavailability restriction established in previous years pursuant to Article 6, paragraph 3, of Legislative Decree no. 38/2005 by EUR 16,680,420.33, i.e., from EUR 72,667,229.92 to EUR 55,986,809.59, it is proposed to:

- (i) to allocate the negative reserve amounting to EUR 84,942,331.12 as an offset against the Share Premium reserve, reducing it from EUR 3,146,576,345.42 to EUR 3,061,634,014.30, and furthermore, with effect from the settlement of the Contribution in the income tax return for the period in which it is applied (2025), to allocate the entire amount recognised in the 2023 Reserve, equal to EUR 308,881,204.08, to the extraordinary reserve, with the consequent elimination of the 2023 Reserve, on the basis that once the obligation to apply the aforementioned Contribution has been fulfilled, the 2023 Reserve will become freely available with no further charges for the Bank;
- (ii) allocate the net profit for the year 2025 amounting to EUR 3,104,816,452.59 as follows:
 - allocation to legal reserve of an amount equal to 5% of the accrued profit corresponding to EUR 155,240,822.63, in accordance with the provisions of Article 31 of the By-laws;
 - allocation to the Shareholders, with distribution of a unit dividend of EUR 0.86 for each share in circulation, eligible for the payment of the dividend, for a total maximum amount of EUR 2,613,039,637.38;
 - allocation to extraordinary reserve of the remaining profit amounting to EUR 336,535,992.58.

In the event of approval of the proposal by the Shareholders' Meeting, the consolidated capital requirements would show a Common Equity Tier 1 Ratio of 16.4% and a Total Capital Ratio of 18.5%¹⁵⁶, both amply meeting the requirements of the competent Authorities.

¹⁵⁶ The consolidated capital requirements indicated differ from those reported as at 31 December 2025 in that they include the allocation to reserves of the profit attributable to the Parent Company (equal to EUR 102,667,266) that remains after the distribution of the dividend.

Pursuant to the laws and regulations in force, it is proposed that the distribution of the dividend takes place with the following methods and timing:

- ✓ ex-coupon date: 18 May 2026.
- ✓ payment day: 20 May 2026.

Pursuant to Article 83-terdecies of Legislative Decree no. 58/1998, as subsequently amended ("TUF"), those who are shareholders on the basis of the accounting records as at the end of the accounting day of 19 May 2026 (record date) will be entitled to receive the dividend.

If the formulated proposal obtains your approval, the shareholders' equity of Banca Monte dei Paschi di Siena S.p.A. will be as indicated in the table below

(in EUR millions)

Net Equity	2025 Financial Statement	Changes	Pro-forma Net equity in the 2025 Financial Statement after Shareholders' Meeting resolutions and dividend payment
Capital	17,978	-	17,978
Share premium	3,147	(85)	3,062
Reserves	3,754	577	4,331
Valuation Reserves	38	-	38
Profit (loss) for the year	3,105	(3,105)	0
Total	28,022	(2,613)	25,409

Siena, 10 March 2026

the Board of Directors

Other information

1 Commitments and financial guarantees given (other than those measured at fair value)

Nominal Amount	31 12 2025					Total
	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets	Total	31 12 2024
Commitments to disburse funds	33,026,425	541,352	331,862	10,221	33,909,860	36,219,318
a) Central banks	-	-	-	-	-	30,000
b) Public entities	1,046,433	-	-	-	1,046,433	976,881
c) Banks	476,012	-	-	-	476,012	1,635,410
d) Other financial companies	9,325,106	3,279	16	-	9,328,401	11,010,062
e) Non-financial companies	20,748,536	347,927	323,605	10,221	21,430,289	20,842,742
f) Families	1,430,338	190,146	8,241	-	1,628,725	1,724,223
Financial guarantees given to	4,286,817	374,433	214,540	1,196	4,876,986	5,142,415
a) Banks	60	-	-	-	60	60
b) Public entities	48,061	2,033	-	-	50,094	47,243
c) Banks	395,482	-	-	-	395,482	482,529
d) Other financial companies	249,302	3,398	666	-	253,366	88,585
e) Non-financial companies	3,546,009	360,147	212,733	1,196	4,120,085	4,466,218
f) Families	47,903	8,855	1,141	-	57,899	57,780
Total	37,313,242	915,785	546,402	11,417	38,786,846	41,361,733

2 Other commitments and guarantees given

	Nominal value	
	31 12 2025	31 12 2024
Other guarantees given to	5,356	2,837
<i>of which: non-performing exposures</i>	-	-
a) Central Banks	-	-
b) Public entities	-	-
c) Banks	-	737
d) Other financial companies	5,356	2,100
e) Non-financial companies	-	-
f) Families	-	-
Other commitments	-	-
<i>of which: non-performing exposures</i>	-	-
a) Central Banks	-	-
b) Public entities	-	-
c) Banks	-	-
d) Other financial companies	-	-
e) Non-financial companies	-	-
f) Families	-	-
Total	5,356	2,837

The table shows, at the line “Other guarantees given”, the maximum risk resulting from any breach of representations and warranties issued by the Bank in the context of derisking transactions of non-performing loans that have not yet matured as at the reporting date of these financial statements.

3 Assets pledged as collateral for liabilities and commitments

Portfolios	31 12 2025	31 12 2024
1. Financial assets measured at fair value through profit or loss	1,680,875	1,145,240
2. Financial assets measured at fair value through other comprehensive income	48,558	1,152,425
3. Financial assets measured at amortised cost	36,405,380	38,025,698
4. Property, plant and equipments	-	-
<i>of which: inventories of tangible assets</i>	-	-

The table summarises the assets pledged by the Bank as collateral for its liabilities, mainly represented by repurchase agreements. The amount indicated in line “3. Financial assets measured at amortised cost” includes approximately EUR 19.6 bn relating to mortgages transferred to the vehicles MPS Covered Bond S.r.l. and MPS Covered Bond 2 S.r.l. under the two covered bonds issuance programmes (covered bonds) and approximately EUR 11.1 bn relating to mortgages pledged as collateral with the Eurosystem (ABACO).

4 Asset management and trading on behalf of third parties

	Amounts 31 12 2025
1. Trading of financial instruments on behalf of third parties	
a) Purchases	14,653,864
1. Settled	14,653,864
2. Unsettled	-
b) Sales	11,937,500
1. Settled	11,937,500
2. Unsettled	-
2. Asset management accounts	
a) individual	5,138,613
b) collective	-
3. Custody and administration of securities	
a) third party securities on deposit associated with custodian bank transactions (excluding asset management)	-
b) Other third party securities on deposit (excluding asset management)	62,766,059
1. Securities issued by companies included in consolidation	84,215
2. Other securities	62,681,844
c) third party securities deposited with third parties	49,155,284
d) own securities deposited with third parties	26,581,695
4. Other transactions	32,136,665
4.1 Collection of receivables on behalf of third parties: credit and debit adjustments	-
4.2 Other transactions	32,136,665
(a) Third-party portfolio taken on for collection	-
b) Tax Collection Service	-
b) Others	32,136,665

5 Financial assets subject to offsetting, enforceable offsetting framework arrangements and similar agreements.

Type	Gross amount of financial assets (a)	Amount of financial liabilities offset in balance sheet (b)	Net amount of financial assets recognised in the balance sheet (c=a-b)	Related amounts not subject to balance sheet offsetting		Net amount (f=c-d-e) 31 12 2025	Net amount 31 12 2024
				Financial instruments (d)	Deposits of cash collateral received (e)		
1. Derivatives	8,978,614	5,615,636	3,362,978	974,145	-	2,388,833	1,700,146
2. Repurchase agreements	8,168,122	-	8,168,122	8,109,827	32,585	25,710	56,872
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
Total as at 31 12 2025	17,146,736	5,615,636	11,531,100	9,083,972	32,585	2,414,543	X
Total as at 31 12 2024	16,156,833	5,939,912	10,216,921	8,459,903	-	X	1,757,018

6 Financial liabilities subject to offsetting, enforceable framework offsetting agreements and similar agreements.

Type	Gross amount of financial liabilities (a)	Amount of financial assets offset in balance sheet (b)	Net amount of financial liabilities recognised in the balance sheet (c=a-b)	Related amounts not subject to balance sheet offsetting		Net amount (f=c-d-e) 31 12 2025	Net amount 31 12 2024
				Financial instruments (d)	Deposits of cash collateral received (e)		
1. Derivatives	7,204,435	5,615,636	1,588,799	1,045,429	484,958	58,412	229,869
2. Repurchase agreements	7,167,119	-	7,167,119	7,164,355	972	1,792	0
3. Securities lending	-	-	-	-	-	-	-
4. Other	-	-	-	-	-	-	-
Total as at 31 12 2025	14,371,554	5,615,636	8,755,918	8,209,784	485,930	60,204	X
Total as at 31 12 2024	14,658,601	5,939,912	8,718,689	8,133,651	355,169	X	229,869

The two tables above provide the disclosure required by IFRS 7 concerning financial instruments which:

- were offset in the balance sheet pursuant to IAS 32;
- could potentially be offset, given certain conditions, but presented in the balance sheet as open balances as they are governed by “framework offsetting agreements or similar agreements” which do not meet the criteria established in IAS 32 for offsetting.

The amount of EUR 5,616 mln offset in the financial statements, corresponding to the columns "Amount of financial liabilities offset in the financial statements (b)" and "Amount of financial assets offset in the financial statements (b)", refers to OTC derivatives operations of the Parent Company entered into, through "indirect" access, with central counterparties.

These derivatives are shown as a decrease in the following balance sheet items:

- 20. Financial assets measured at fair value through profit and loss a) Financial assets held for trading – set off by EUR 5,523 mln;
- 50. Hedging derivatives *fair value* positive – set off by EUR 93 mln;
- 20. Financial liabilities held for trading – set off by EUR 5,522 mln;
- 40. Hedging derivatives with a negative fair value – offset by EUR 94 mln.

For the purposes of reconciliation of the amounts shown in the column (c) "net amount of financial assets/liabilities recognised in the balance sheet" with the opening balances shown in "Part B – Information on the balance sheet", it should be noted that:

- the amount relating to derivative financial instruments, both trading and hedging, supported by netting agreements or similar, is represented, where measured, in asset items 20 a) "financial assets held for trading" and 50 "hedging derivatives" and in liability items 20 "financial liabilities held for trading" and 40 "hedging derivatives";
- the amount related to repurchase agreements subject to netting agreements or similar is shown in line "Repurchase agreements/Reverse repurchase agreements" in the tables containing a breakdown of asset item 40 "Financial assets measured at amortised cost" and liability item 10 "Financial liabilities measured at amortised cost".

The Bank discloses the following instruments that can potentially be set off upon certain events occurring, presented in the "Related amounts not subject to offsetting" columns:

- with regard to derivatives: "ISDA Master Agreement" and netting agreements with clearing houses;
- with regard to repurchase agreements and reverse repurchase agreements: framework contract "Global Master Repurchase Agreements (GMRA)" and netting agreements with the "Cassa di Compensazione e Garanzia (CC&G)";
- with respect to securities lending transactions: "Global Master Securities Lending Agreements (GMSLA)".

The effects of potentially setting off:

- the book value of financial assets and liabilities are stated in column (d) "Financial instruments", alongside the fair value of financial collateral represented by securities;
- the exposure, alongside cash collateral, is shown in column (e) "Cash deposits received/given as collateral".

It should also be noted that:

- the standard also requires the effects of the financial collateral (including cash collateral) received and given to be taken into account;
- with regard to securities lending transactions, in these tables transactions involving the payment of cash collateral fully owned by the lender are included in the item "Repurchase agreements";
- the repurchase agreements are recognised in the tables at amortised cost, while the financial collateral and derivative transactions are reported at their fair value.

Based on the compilation methods represented, netting agreements between financial instruments and related financial collateral allow for a significant reduction in credit/debt exposure to the counterparty, as indicated in column (f) "Net amount".

7 Securities lending transactions

The Bank, as borrower, has not carried out securities lending transactions guaranteed by other securities or securities lending transactions with customers.

8 Information on joint control activities

At the reporting date, as in the previous financial year, there were no jointly controlled arrangements qualifying as "joint operations" within the meaning of IFRS 11, according to which the parties with joint control have rights to the assets and obligations to the liabilities of the arrangement.

Part C – Information on the Income Statement

Section 1 - Interest income/expense - Items 10 and 20

1.1 Interest income and similar revenues: breakdown

Item/Type	Debt securities	Loans	Other transactions	Total 31 12 2025	Total 31 12 2024
1. Financial asset measured at fair value through profit and loss	109,356	4,508	968	114,832	70,833
1.1 Financial asset held for trading	101,639	392	968	102,999	58,651
1.2 Financial assets designated at fair value	-	-	-	-	-
1.3 Financial assets mandatorily measured at fair value	7,717	4,116	-	11,833	12,182
2. Financial asset measured at fair value through other comprehensive income	40,272	-	X	40,272	42,085
3. Financial assets measured at amortised cost	306,254	2,884,701	X	3,190,955	3,798,980
3.1. Loans to banks	28,016	58,084	X	86,100	121,288
3.2 Loans to customers	278,238	2,826,617	X	3,104,855	3,677,692
4. Hedging derivatives	X	X	33,944	33,944	103,742
5. Other assets	X	X	443,200	443,200	633,219
6. Financial liabilities	X	X	X	5	3
Total	455,882	2,889,209	478,112	3,823,208	4,648,862
<i>of which interest income on credit impaired assets</i>	-	78,266	-	78,266	101,752
<i>of which interest income on financial leasing</i>	-	92,043	-	92,043	198,153

Line 4 “Hedging derivatives”, in the “Other transactions” column, includes the spread related to hedging derivatives rectifying the interest income recognised on the hedged financial instruments under assets.

In line 5 “Other assets”, column “Other transactions”, the interest accrued on sight deposits and current accounts with central banks classified under the item “Cash and cash equivalents” is reported, amounting to EUR 292.7 mln (EUR 488.7 mln at 31 December 2024). The same item also includes, for EUR 101.1 mln (EUR 109.0 mln as at 31 December 2024), interest income accrued on tax credits.

Interest income, calculated for financial assets measured at amortised cost under the effective interest rate method, is entered in different columns based on the original ‘technical form’. The amount accrued during the year on positions classified as “non-performing” at the reporting date is EUR 78.3 mln in total (EUR 101.8 mln as at 31 December 2024).

Interest on arrears is posted to net interest income only for the portion actually collected.

For a trend analysis of the concerned items, reference should be made to the Consolidated Report on Operations.

1.2 Interest income and similar revenues: other information

1.2.1 Interest income from financial assets denominated in foreign currency

Interest income from financial assets denominated in foreign currency for 2025 amounts to EUR 39.7 mln (EUR 43.8 mln as at 31 December 2024).

1.3 Interest expense and similar charges: breakdown

	Deposits	Securities	Other transactions	Total 31 12 2025	Total 31 12 2024
1. Financial liabilities measured at amortised cost	(1,265,865)	(462,621)	-	(1,728,486)	(2,360,879)
1.1 Due to Central banks	(185,700)	X	X	(185,700)	(370,709)
1.2 Due to banks	(165,699)	X	X	(165,699)	(191,164)
1.3 Due to customers	(914,466)	X	X	(914,466)	(1,326,067)
1.4 Debt securities issued	X	(462,621)	X	(462,621)	(472,939)
2. Financial liabilities held for trading	-	-	-	-	-
3. Financial liabilities designated at fair value	-	(4,935)	-	(4,935)	(4,736)
4. Other liabilities	X	X	(50)	(50)	(125)
5. Hedging derivatives	X	X	(9,993)	(9,993)	(104,081)
6. Financial assets	X	X	X	(355)	(319)
Total	(1,265,865)	(467,556)	(10,043)	(1,743,819)	(2,470,140)
<i>of which interest debt for leasing</i>	(4,909)	-	-	(4,909)	(4,520)

Line 1.1 “Due to Central banks” includes interest on refinancing operations with the ECB held by the Bank for EUR 185.7 mln, down from EUR 370.7 mln as at 31 December 2024, mainly due to the new MRO and LTRO operations in which the Bank participated during 2025.

Lines 1.2, “Due to banks” and 1.3, “Due to Customers”, in the “Deposits” column, include interest on payables under repurchase agreements on: treasury securities recognised in the balance sheet or securities not recognised in the balance sheet obtained through repo transactions or from self-securitisations without derecognition.

The reduction in interest paid to customers recorded under line 1.3 “Due to Customers” is attributable to the ECB’s reduction in interest rates.

Line “1.4 Debt securities issued” indicates the interest expense accrued during the financial year on bonds and certificates of deposit valued at amortised cost.

Line 5 “Hedging derivatives”, in the “Other transactions” column, includes the spreads for hedging derivatives providing a correction for the interest expense recognised on hedged fixed-rate commercial funding and bonds.

Line 6. “Financial assets” highlights the negative interest accrued on financial assets.

For a trend analysis of the concerned items, reference should be made to the Consolidated Report on Operations.

1.4 Interest expense and similar charges: other information

1.4.1 Interest expense on liabilities denominated in foreign currency

Interest expense on financial liabilities denominated in foreign currency for 2025 amounted to EUR 11.9 mln, as compared to EUR 13.6 mln in 2024.

1.5 Spreads on hedging transactions

Items	Total	Total
	31 12 2025	31 12 2024
A. Positive spreads on hedging transactions	43,972	112,184
B. Negative spreads on hedging transactions	(20,022)	(112,523)
C. Balance (A+B)	23,950	(339)

Section 2 - Fee and commission income/expense - Items 40 and 50

2.1 Fee and commission income: breakdown

Type of service / Amount	Total 31 12 2025	Total 31 12 2024
a) Financial instruments	132,825	118,410
1. Placement of securities	39,008	32,309
1.1 Underwriting on the basis of an irrevocable commitment	15,345	16,852
1.2 without irrevocable commitment	23,663	15,457
2. Reception and transmission of orders	23,613	21,228
2.1 Reception and transmission of orders of financial instruments	22,643	20,298
2.2 Execution of orders on behalf of customers	970	930
3. Other commission income related to activities linked to financial instruments	70,204	64,873
<i>of which: proprietary trading</i>	16,408	14,744
<i>of which: individual portfolio management</i>	53,796	50,129
b) Corporate Finance	7,158	8,208
1. M&A fees	-	-
2. Treasury services	7,158	8,208
3. Other fees and commission income related to Corporate finance activities	-	-
c) Investment advisory activities	3,502	3,347
d) Clearing and settlement	137	147
e) Custody and administration of securities	5,522	5,770
1. custodian bank	-	-
2. Other fees and commission income related to Custody and administration activities	5,522	5,770
f) Central administrative services for collective portfolio management	-	-
g) Trustee business	-	-
h) Payment services	503,978	500,205
1. Current accounts	206,624	212,706
2. Credit cards	65,811	64,301
3. Debit cards and other card payments	88,091	76,993
4. Transfers and other payment orders	81,878	85,811
5. Other fees and commission income related to payment services	61,574	60,394
i) Distribution of third-party services	707,076	613,694
1. Collective portfolio management	438,693	372,668
2. Insurance products	200,938	191,881
3. Other products	67,445	49,145
<i>of which: individual portfolio management</i>	-	-
j) Structured Finance	-	-
k) Securitisation servicing activities	181	44
l) Loan commitments given	169,686	172,928
m) Financial guarantees	56,267	57,872
<i>of which: credit derivatives</i>	-	-
n) Lending transactions	97,789	72,623
<i>of which: factoring services</i>	22,422	16,604
o) Currency trading	4,826	3,678
p) Commodities	-	-
q) Other fees and commission income	32,207	38,522
<i>of which: management of shared multilateral trading facilities</i>	-	-
<i>of which: management of organized trading systems</i>	-	-
Total	1,721,154	1,595,448

Line q) "Other fee and commission income" includes EUR 8.6 mln relating to leasing operations, EUR 7.3 mln attributable to the preliminary investigation of tax credits and related to the recovery of expenses incurred by the Bank for the finalisation of transactions, and finally EUR 3.4 mln of agency fee for the role performed by the Bank as lead/agent of pool Loans.

For an analysis of the fee and commission income and for the disclosure on disaggregation of revenues, as required by IFRS 15.114-115, please refer to Part C of the Notes to the Consolidated Financial Statements, which outlines the trend in fees and commissions for each of the operating segments identified by activity type.

The disclosure for performance obligations is provided for the main services offered by the Bank, in accordance with IFRS 15.113 and 119:

- collection and payment services, including the offer to customers of credit and debit cards issued by the Bank. For these services, the customer pays an annual fee in advance for the administrative management of the card, recognised over time, as well as fees calculated on the individual transactions linked to the card's configuration, which, if not included in the annual fee, are recognised at a point in time as linked to the individual performance obligation carried out at a specific time; collection and payment services also include all foreign currency trading services, as well as other generic collection services that entail the collection of fees against the performance obligation made at consumption and recognised at a point in time;
- administration of current accounts. Within this context, the fees received for various products offered to customers may include a periodic fee for the current account management service (that may or may not include a package of services), as well as fees received on individual transactions performed by customers that are not included in the annual fee. The first type of fee refers to a performance obligation fulfilled over time, while the second refers to services performed at a specific time and compensated separately from the quarterly fee, and which are structured as a performance obligation fulfilled at a point in time;
- distribution of third-party products and services based on partnership agreements with external counterparties, for which placement commissions are collected, recorded at a point in time as they are compensation for the intermediation performance obligation provided by the Bank, and continuing commissions connected to the administrative management of the customer in the network, recorded over time, as they represent compensation for the performance obligation rendered over the course of the investment's duration. Some distribution agreements also include variable commissions, recognised by external counterparties upon achieving certain placement volumes or other annual metrics envisaged in the distribution agreements. Based on the various contractual provisions and in accordance with provisions contained in IFRS 15, if conditions apply in the interim periods, analyses are carried out in order to determine if there are conditions that allow the advance accounting of the revenue or a portion thereof. The advance recognition is carried out exclusively if it is highly likely that, once the uncertainty has been resolved, there is no downward adjustment of the recorded amount. Lastly, some contracts contain claw-back clauses, which entail, in the event certain conditions apply, the full or partial reimbursement of placement commissions previously recognised upon execution of the initial performance obligation (i.e. point in time): in this case, the claw-back clause represents a variable component of the transaction price, since the amount recognised upon product placement is not definitive, but will depend on future events that are beyond the control of the Bank. In such situations the amount of the commissions that could potentially be subject to restitution is estimated, charging the amount that is expected to be returned to the third party to a specific risk provision; the income that is posted to the income statement is equal to the amount recognised against the performance obligation for the placement activity carried out during the financial year, net of the amount set aside in the provision;
- individual portfolio management, in the context of assets linked to financial instruments, which mainly include management fees, calculated with a percentage proportional to the assets under management, recognised over time as they compensate a service rendered over time.
- complex financial services including consultancy, advisory/asseveration/underwriting and order collection. The contracts may provide for various types of fees and commissions associated with the various services offered. Some of these are linked to activities performed throughout the contract's duration (over time) and paid by the customer regardless of the outcome of the activities, while others are services for which the customer pays only if certain identified events occur, therefore, they are connected to services provided at a specific point in time. The first type of fee, associated with a performance obligation over time, is recognised throughout the contract's duration, while the second is recorded when the event occurs, as it represents compensation for a performance obligation carried out at a point in time;

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With regard to the composition of revenues (IFRS 15.116-118), it should be noted that EUR 1.8 mln has been recognised as a component of adjustment price accrued during the year on commissions collected for the placement of third-party services by the Bank in the previous year.

This line includes the reversal of revenues for EUR 11.5 mln made in the financial year against a provision for risks in accordance with IFRS 15, in consideration of the claw-back clauses present in contracts for the placement of third-party products.

2.2 Fee and commission income: distribution channels of products and services

Canali / Valori	31 12 2025	31 12 2024
a) presso propri sportelli:	742,892	649,748
1. gestioni portafogli	53,793	50,127
2. collocamento di titoli	11,314	6,595
3. servizi e prodotti di terzi	677,785	593,026
b) offerta fuori sede:	2,808	1,958
1. gestioni portafogli	3	2
2. collocamento di titoli	-	-
3. servizi e prodotti di terzi	2,805	1,956
c) altri canali distributivi:	54,180	44,427
1. gestioni portafogli	-	-
2. collocamento di titoli	27,694	25,715
3. servizi e prodotti di terzi	26,486	18,712

2.3 Fee and commission expense: breakdown

Type of service / Amount	Total 31 12 2025	Total 31 12 2024
a) Financial Instruments	(5,027)	(4,412)
<i>of which: trading in financial instruments</i>	(4,252)	(3,793)
<i>of which: placement of financial instruments</i>	-	-
<i>of which: individual portfolio management</i>	(775)	(619)
- own portfolio	-	-
- third-party portfolio	(775)	(619)
b) Clearing and settlement	(4,174)	(4,483)
c) Custody and administration	(4,868)	(4,296)
d) collection and payment services	(92,832)	(85,284)
<i>of which: credit cards, debt cards and other payment cards</i>	(82,398)	(70,989)
e) Securitisation servicing activities	-	-
f) Loan commitments received	-	-
g) Financial guarantees received	(21,829)	(26,710)
<i>of which: credit derivatives</i>	-	-
h) Door-to-door sales of financial instruments, products and services	(1,501)	(985)
i) Currency trading	-	-
j) Other fee and commission expenses	(40,629)	(39,377)
Total	(170,860)	(165,547)

Line a) "Financial instruments of which: individual asset management - delegated to third parties" includes commissions payable on the collection of securities orders.

Line b) "Clearing and settlement" includes commissions payable for the derivative clearing service.

In line "d) Collection and payment services" commissions arising from the outsourcing of administrative servicing related to card management are included.

Line g) "Financial guarantees received" includes commissions of EUR 12.5 mln (17.0 mln as at 31 December 2024) related to the purchase of protection against credit risk as part of the outstanding synthetic securitisations.

Line k) "Other fee and commission expense" includes EUR 4.1 mln relating to *leasing*, of which EUR 1.2 mln for commissions and contributions for the brokerage activity of agents.

For a trend analysis of the concerned items, reference should be made to the Consolidated Report on Operations.

Section 3 - Dividends and similar income - Item 70

3.1 Dividends and similar income: breakdown

Item/Income	31 12 2025			31 12 2024		
	Dividends	Similar Income	Total	Dividends	Similar Income	Total
A. Financial assets held for trading	5,772	276	6,048	4,068	1,056	5,124
B. Other financial assets mandatorily measured at fair value	-	5,790	5,790	-	8,485	8,485
C. Financial assets measured at fair value through other comprehensive income	7,567	-	7,567	9,114	-	9,114
D. Investments	444,454	-	444,454	35,600	-	35,600
Total	457,793	6,066	463,859	48,782	9,541	58,323

The table highlights the amount of dividends collected on equity securities traded within the trading portfolio, on minority interests classified in the “Financial assets measured at fair value through other comprehensive income” portfolio, and on investments in subsidiaries and associates.

The line “B Financial assets mandatorily measured at fair value” mainly refers to income distributed by private equity funds.

The line “C. financial assets measured at fair value through other comprehensive income” includes the dividend of EUR 7.1 mln (EUR 8.5 mln as at 31 December 2024) collected from the equity investment in Banca d'Italia.

The line “D. Equity investments” mainly consists of the dividend collected from the subsidiary Mediobanca-Banca di Credito finanziario S.p.A. in November 2025 amounting to EUR 414.3 mln, and from the associate AXA MPS Danni for EUR 30.0 mln (EUR 35.0 mln as at 31 December 2024).

Section 4 - Net profit (loss) from trading - Item 80

4.1 Net profit (loss) from trading: breakdown

Transactions / P&L items	Capital gains	Trading Profits	Capital losses	Trading Losses	Net Profit (Loss)	
					31 12 2025	31 12 2024
1. Financial assets held for trading	15,620	80,701	(21,233)	(66,573)	8,515	76,906
1.1 Debt securities	12,002	44,462	(13,727)	(56,576)	(13,839)	53,217
1.2 Equity instruments	1,549	35,439	(7,233)	(9,556)	20,199	19,874
1.3 Units of UCITS	2,069	779	(273)	(441)	2,134	3,803
1.4 Loans	-	-	-	-	-	-
1.5 Other	-	21	-	-	21	12
2. Financial liabilities held for trading	4,197	21,916	(3,763)	(19,962)	2,388	(319)
2.1 Debt securities	4,183	21,900	(908)	(19,494)	5,681	(574)
2.2 Deposits	-	-	-	-	-	-
2.3 Other	14	16	(2,855)	(468)	(3,293)	255
3. Other financial assets and liabilities: exchange differences	X	X	X	X	34,725	9,991
4. Derivatives	4,247,034	7,332,320	(4,265,812)	(7,237,526)	72,839	41,266
4.1 Financial derivatives:	4,231,545	7,000,749	(4,020,567)	(7,155,326)	53,225	3,102
- on debt securities and interest rates	4,162,921	6,912,124	(3,943,519)	(7,086,946)	44,580	(31,816)
- on equity instruments and stock indices	60,286	48,842	(53,632)	(4,656)	50,840	100,274
- on currency and gold	X	X	X	X	(3,176)	28,337
- other	8,338	39,783	(23,416)	(63,724)	(39,019)	(93,693)
4.2 Credit derivatives	15,489	331,571	(245,245)	(82,200)	19,614	38,164
<i>of which natural hedging connected with the fair value option</i>	X	X	X	X	-	-
Total	4,266,851	7,434,937	(4,290,808)	(7,324,061)	118,467	127,844

It should be noted that, based on the provisions set in the Bank of Italy Circular no. 262, the specification “of which: natural hedges related to the fair value option” refers to a particular type of hedge provided for by IFRS 9. In this regard, it should be noted that there are no amounts to be valued, as the Bank has opted to continue to use the hedge accounting regime under IAS 39.

During the year, the Credit Value Adjustment (CVA) increased, generating a negative impact of EUR 0.51 mln on OTC Derivatives; likewise, the Debit Value Adjustment (DVA) on OTC Derivatives recorded a decrease with a consequent negative impact of EUR 2.1 mln.

Section 5 - Net profit (loss) from hedging - Item 90

5.1 Net profit (loss) from hedging: breakdown

Income items/Amounts	Total 31 12 2025	Total 31 12 2024
A. Income relating to:		
A.1 Fair value hedging derivatives	771,251	129,237
A.2 Hedged financial assets (fair value)	-	185,978
A.3 Hedged financial liabilities (fair value)	37,249	940
A.4 Cash flow hedging derivatives	-	-
A.5 Foreign currency assets and liabilities	-	-
Total income from hedging activity (A)	808,500	316,155
B. Expenses relating to:		
B.1 Fair value hedging derivatives	38,323	187,094
B.2 Hedged financial assets (fair value)	9,128	25,639
B.3 Hedged financial liabilities (fair value)	761,465	104,353
B.4 Cash flow hedging derivatives	-	-
B.5 Foreign currency assets and liabilities	-	-
Total expenses from hedging activity (B)	808,916	317,086
C. Net profit (loss) from hedging (A - B)	(416)	(931)
<i>of which: result of hedges on net positions</i>	-	-

For information on hedging derivatives, the gains and losses on which are indicated in lines A.1 and A.4, B.1 and B.4 of this table, see Section 5 “Hedging derivatives – Item 50” of the Assets and Section 4 “Hedging derivatives – Item 40” of the liabilities in Part B of these Notes to the financial statements.

More information on hedged assets and liabilities can be found in the tables in Part B of the Notes to the Financial Statements for each section of the accounts to which hedges are posted.

Section 6 - Gains/(losses) on disposal/repurchase - Item 100

6.1 Gains (losses) on disposal/repurchase: breakdown

Items/Income components	Total 31 12 2025			Total 31 12 2024		
	Gains	Losses	Net profit (loss)	Gains	Losses	Net profit (loss)
Financial assets						
1. Financial assets measured at amortised cost	68,435	(2,827)	65,608	5,822	(13,500)	(7,678)
1.1 Loans to banks	3,596	-	3,596	-	-	-
1.2 Loans to customers	64,839	(2,827)	62,012	5,822	(13,500)	(7,678)
2. Financial assets measured at fair value through other comprehensive income	22,427	(15,342)	7,085	1,568	(1,837)	(269)
2.1 Debt securities	22,427	(15,342)	7,085	1,568	(1,837)	(269)
2.2 Loans	-	-	-	-	-	-
Total assets (A)	90,862	(18,169)	72,693	7,390	(15,337)	(7,947)
Financial liabilities measured at amortised cost						
1. Due to banks	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-
3. Debt securities issued	-	(216)	(216)	1	(626)	(625)
Total liabilities (B)	-	(216)	(216)	1	(626)	(625)

The “Net result” column for the item “Financial assets measured at amortised cost” in line 1.2 “Loans to customers” mainly includes the net gain on the sale of certain government bonds.

Section 7 - Net profit (loss) from other financial assets and liabilities measured at fair value through profit and loss - Item 110

7.1 Net changes in other financial assets and liabilities measured at fair value through profit or loss: breakdown of financial assets and liabilities measured at fair value

Transactions/Income components	Capital gains	Realised gains	Capital losses	Realised losses	Net profit (loss)	
					31 12 2025	31 12 2024
1. Financial assets	-	-	-	-	-	-
1.1 Debt securities	-	-	-	-	-	-
1.2 Loans	-	-	-	-	-	-
2. Financial liabilities	2,184	-	(25)	-	2,159	1,521
2.1 Debt securities issued	2,184	-	(25)	-	2,159	1,521
2.2 Due to banks	-	-	-	-	-	-
2.3 Due to customers	-	-	-	-	-	-
3. Financial assets and liabilities in foreign currencies: Exchange differences	X	X	X	X	-	-
Total	2,184	-	(25)	-	2,159	1,521

The item includes solely the profit, loss, capital gains and capital losses from structured fixed-rate bonds included in the fair value option. The balances of the economic valuations of derivatives through which said securities are subject to natural hedging are instead recognised under item 80 "Net profit (loss) from trading".

Note that the changes in fair value due to changes in own creditworthiness are recognised under other revenue items not reclassified to profit or loss.

7.2 Net changes in 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 components	Capital gains	Realised gains	Capital losses	Realised losses	Net profit (loss)	
					31 12 2025	31 12 2024
1. Financial assets						
1.1 Debt securities	15	67	(18,894)	-	(18,812)	(12,929)
1.2 Equity instruments	152	3,699	0	-	3,851	63
1.3 UCITS units	2,667	-	(21,427)	-	(18,760)	21,897
1.4 Loans	651	-	(1,180)	-	(529)	(1,252)
2. Financial assets in foreign currencies: Exchange differences	X	X	X	X	(21)	18
Total	3,485	3,766	(41,501)	-	(34,271)	7,797

The net result, in the line "1.1 Financial assets – Debt securities", includes the capital loss from the mezzanine tranche of the Siena NPL securitisation for a total of EUR 15.1 mln.

The net result, in line "1.3 Financial assets – UCITS units", mainly refers to the impairment of NPE credit funds and real estate funds, only partly offset by the revaluation recognised on private equity funds.

Line 1.4 "Financial Assets – Loans" includes in the column "Capital Gains" the write-backs relating to loans for which there has been an improvement in the risk profile; in the column "Capital Losses" the write-downs of mainly non-performing loans are reported.

Section 8 - Net impairment losses/reversals on credit risk - Item 130

8.1 Net impairment (losses)/reversal for credit risk on financial assets measured at amortised cost: breakdown

	Value adjustments						Write-backs				Total 31 12 2025	Total 31 12 2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit impaired financial assets		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets		
			write-off	Other	write-off	Other						
A. Loans to banks	(319)	-	-	(2,906)	-	-	662	-	4	-	(2,559)	(6,028)
- Loans	(279)	-	-	(2,906)	-	-	584	-	4	-	(2,597)	(6,026)
- Debt securities	(40)	-	-	-	-	-	78	-	-	-	38	(2)
B. loans to customers	(101,348)	(150,886)	(3,437)	(534,085)	-	(107)	107,532	168,047	244,438	27	(269,819)	(354,956)
- Loans	(100,286)	(150,886)	(3,437)	(534,085)	-	(107)	106,316	163,344	244,438	27	(274,676)	(355,064)
- Debt securities	(1,062)	-	-	-	-	-	1,216	4,703	-	-	4,857	108
C. Total	(101,667)	(150,886)	(3,437)	(536,991)	-	(107)	108,194	168,047	244,442	27	(272,378)	(360,984)

8.2 Net impairment losses/reversals on credit risk on financial assets measured at fair value through other comprehensive income: breakdown

Transactions/Income components	Value adjustments						Write-backs				Total 31 12 2025	Total 31 12 2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit impaired financial assets		Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets		
			write-off	Other	write-off	Other						
A. Debt securities	(366)	-	-	(2,687)	-	-	91	1,331	-	(1,631)	(663)	
B. Loans	-	-	-	-	-	-	-	-	-	-	-	
- Due to banks	-	-	-	-	-	-	-	-	-	-	-	
- Due to customers	-	-	-	-	-	-	-	-	-	-	-	
Total	(366)	-	-	(2,687)	-	-	91	1,331	-	-	(1,631)	(663)

Section 9 - Gains/losses from contractual changes without cancellation - Item 140

9.1 Modification gains/(losses): breakdown

This item, negative for EUR 4.6 mln as at 31 December 2025 (negative for EUR 9.9 mln as at 31 December 2024), includes the impacts related to contractual changes on medium/long-term loans to customers which, not qualifying as substantial modifications according to the provisions of IFRS 9, as well as the Group's accounting regulations, do not entail accounting derecognition of the assets but rather the recognition in the income statement of the changes made to the contractual cash flows.

Section 10 - Administrative expenses - Item 160

10.1 Personnel expenses: breakdown

Type of expense / Sectors	Total 31 12 2025	Total 31 12 2024
1. Employees	(1,298,620)	(1,238,305)
a) Wages and salaries	(904,936)	(859,991)
b) Social security costs	(240,379)	(232,273)
c) Severance indemnities	(58,845)	(57,687)
d) Pension expenses	-	-
e) Provision for employee severance pay	(2,306)	(2,349)
f) Pension funds and similar obligations:	(87)	(110)
- defined contribution	-	-
- defined benefit	(87)	(110)
g) Contributions to external pension funds:	(26,560)	(21,933)
- defined contribution	(26,560)	(21,933)
- defined benefit	-	-
h) Costs arising from share-based payment agreements	(4,141)	(3,745)
i) Other employee benefits	(61,366)	(60,217)
2. Other staff in service	(60)	(60)
3. Directors and statutory auditors	(1,679)	(1,725)
4. Retired staff	(13)	(22)
5. Recovery of expenses for employees seconded to other companies	17,404	16,674
6. Reimbursement of expenses for third-party employees seconded to the company	(1,697)	(1,654)
Total	(1,284,665)	(1,225,092)

The overall increase in personnel expenses is mainly due to higher costs connected with the latest increases envisaged by the renewal of the applicable sector National Collective Labour Agreement (CCNL) and to higher provisions made in relation to the variable component of remuneration.

Line "f) pension funds and similar obligations" includes amounts set aside for internal funds, while line "g) contributions to external pension funds" includes contributions paid and adjustments made to external pension funds.

Line "h) Costs arising from payment agreements based on own equity instruments" includes the provision as well as the fair value change relating to the phantom shares to which key personnel are entitled as the variable part of the incentive scheme.

Line "i) other employee benefits" amounting to EUR 61.4 mln includes the effect of discounting expenses relating to departures through redundancy or access to the Solidarity Fund.

Line 5 “Recovery of expenses for employees seconded to other companies” includes approximately EUR 9.4 mln as at 31 December 2025 (EUR 9.6 mln as at 31 December 2024) relating to Fruendo and due to the reinstatement and subsequent secondment of some employees in 2020.

10.2 Average number of employees by category

Employee category/Average number	31 12 2025	31 12 2024
Employees:	15,377	15,446
a) Executives	144	148
b) Middle Managers	5,894	5,840
c) Other employees	9,339	9,458
Other staff	-	-
Total	15,377	15,446

10.3 Defined benefit company pension funds: costs and revenues

Items/Amounts	31 12 2025			31 12 2024		
	Defined benefit company pension funds		TFR	Defined benefit company pension funds		TFR
	Internal plans	External plans		Internal plans	External plans	
Interest income/expense	(87)	-	(2,306)	(110)	-	(2,349)
Pension cost for current service benefits and gains and losses from settlements of the fund [*]	-	-	-	-	-	-
Pension cost for past service benefits	-	-	-	-	-	-
Gains/losses from settlement of the fund ^{**}	-	-	-	-	-	-
Other operating expenses	-	-	-	-	-	-
Total	(87)	-	(2,306)	(110)	-	(2,349)

^{*} Pursuant to par. 100 of IAS 19, note that the past service cost and the amount of gains and losses arising from settlements need not be distinguished if they occur together.

^{**} Only in the event of settlement not set out in the terms of the plan.

10.4 Other employee benefits

No information to report pursuant to paragraphs 53, 158 and 171 of IAS 19.

10.5 Other administrative expenses: breakdown

Items/Amounts	31 12 2025	31 12 2024
Stamp duties	(173,345)	(162,026)
Indirect taxes and duties	(34,336)	(26,345)
Single Municipal Tax (IMU)	(18,949)	(19,756)
Property rentals	(1,074)	(934)
Premises cleaning services	(14,682)	(15,032)
Insurance	(14,114)	(15,314)
Sundry lease payments and rentals	(96,304)	(101,947)
Fees to external professionals	(60,122)	(59,196)
Processing by third parties	(23,417)	(25,480)
Electricity, heating and water	(31,151)	(34,841)
Maintenance of furniture and premises (operating assets)	(27,649)	(29,450)
Postal services	(13,960)	(15,934)
Advertising, Sponsorships and Promotions	(1,240)	(1,038)
Membership fees	(2,803)	(2,574)
Reimbursement of employees' car and travel expenses	(2,836)	(2,737)
Security services	(6,186)	(6,102)
Software	(43,393)	(43,508)
Training course expenses	(2,484)	(2,136)
Representation expenses	(396)	(373)
Machine rentals	(29,892)	(32,131)
Printed matter and stationery	(2,644)	(2,953)
Telegraph, telephone and telex	(5,752)	(5,486)
Transport	(20,588)	(18,331)
Various condominium expenses and compensation for release of operating premises	(5,057)	(5,215)
Contributions to Resolution Funds (SRF and NRF) and Deposit Guarantee Schemes (DGS) and Insurance Guarantee Fund	(7,553)	(73,222)
DTA fees	(57,435)	(61,252)
Line rental and data transmission	(5,613)	(5,009)
Other	(9,267)	(9,664)
Total	(712,242)	(777,986)

The line “Sundry lease payments and rentals” includes EUR 66.8 mln (EUR 71.7 mln as at 31 December 2024) relating to costs for services in *outsourcing* regarding *back office* activities and accounting and administrative activities provided by an external supplier and connected to the management and provision of specific services of the Bank. These services entail decreasing considerations over the duration of the contract, against a constant volume of services received by the Bank. In accordance with the accounting policies of the Group (see Part A, Other information - Costs for constant services and decreasing payments), the recognition of the afore-mentioned costs in the income statements follows a linear trend over the contract duration with the consequent necessity for the Bank to recognise a prepayment. The cumulative figure as at 31 December 2025 is EUR 191.8 mln (EUR 216.5 mln as at 31 December 2024) and is included under “other assets”, line “Accrued income and prepaid expenses not attributable to its own separate item” of Part B of these Notes to the financial statements. The line also includes costs relating to *short-term and low-value lease agreements* for EUR 2.6 mln (EUR 3.1 mln as at 31 December 2024).

The line “Contributions to Resolution Funds (SRF and NRF) and Deposit Guarantee Schemes (DGS) and Insurance Guarantee Fund”, amounting to EUR 7.5 mln as at 31 December 2025 (EUR 73.2 mln as at 31 December 2024), includes

the contributions paid to the DGS amounting to EUR 5.3 mln (EUR 71.1 mln as at 31 December 2024) and the estimated EUR 2.2 mln contribution that the Bank expects to pay to the Life Insurance Guarantee Fund – established in 2024 by Law no. 213 of 30 December 2023 – in which Italian insurance companies and branches of non-EU insurance companies participate.

The line “DTA fees” includes the expenses related to the fee paid on DTAs that can be converted into tax credit as set forth in art. 11 of Italian Law Decree no. 59 of 3 May 2016, converted into Italian Law no. 119 of 30 June 2016.

Section 11 – Net provisions for risks and charges – Item 170

11.1 Net provisions for credit risk relative to commitments to disburse funds and financial guarantees issued: breakdown

Transactions/Income components	Stage 1	Stage 2	Stage 3	Total 31 12 2025	Total 31 12 2024
1) Financial guarantees issued	4,358	166	8,714	13,238	12,083
Provisions for the year	(2,561)	(3,523)	(25,186)	(31,270)	(43,971)
Write-backs	6,919	3,689	33,900	44,508	56,054
2) Commitments to disburse funds	1,939	(12,056)	-	(10,117)	(8,245)
Provisions for the year	(4,360)	(17,458)	-	(21,818)	(18,067)
Write-backs	6,299	5,402	-	11,701	9,822
Total	6,297	(11,890)	8,714	3,121	3,838

11.2 Net provisions relative to other commitments and guarantees issued: breakdown

At the reporting date of these Financial Statements and for the financial year of comparison, there were no provisions of this type.

11.3 Other net provisions for risks and charges: breakdown

Items/Amounts	31 12 2025			31 12 2024		
	Provisions for the year	Write-backs	Net provisions	Provisions for the year	Write-backs	Net provisions
Legal and tax disputes	(99,468)	71,002	(28,466)	(127,088)	70,932	(56,156)
- charge	(89,116)	70,681	(18,435)	(111,434)	70,215	(41,219)
- discounting effect	(10,352)	321	(10,031)	(15,654)	717	(14,937)
Personnel expenses	(3,890)	2,554	(1,336)	(2,094)	2,186	92
Other risks and charges	(7,721)	22,641	14,920	(25,179)	16,122	(9,057)
Total	(111,079)	96,197	(14,882)	(154,361)	89,240	(65,121)

Section 12 - Net Value Adjustments/recoveries on Property, Plant and Equipment - Item 180

12.1 Net value adjustments to property, plant and equipment: breakdown

Assets/Income statement items	Depreciation	Impairment losses	Write-backs	Net profit (loss) 31 12 2025	Net profit (loss) 31 12 2024
A. Property, plant and equipment					
1 For own use	(84,772)	(1,583)	-	(86,355)	(95,496)
- owned	(49,206)	(96)	-	(49,302)	(55,397)
- right-of-use assets acquired through leasing	(35,566)	(1,487)	-	(37,053)	(40,099)
2 Held for investment purposes	-	-	-	-	-
3 Inventories	-	-	-	-	-
Total	(84,772)	(1,583)	-	(86,355)	(95,496)

Section 13 - Net Value Adjustments/recoveries on Intangible Assets - Item 190

13.1 Net value adjustments to intangible assets: breakdown

Assets/Income statement items	Depreciation	Impairment losses	Write-backs	Net profit (loss) 31 12 2025	Net profit (loss) 31 12 2024
A. Intangible assets					
<i>of which software</i>	(56,140)	(2,677)	-	(58,817)	(61,228)
A.1 Owned	(56,140)	(2,677)	-	(58,817)	(61,228)
- Internally generated by the Bank	(10,359)	(656)	-	(11,015)	(12,777)
- Other	(45,781)	(2,021)	-	(47,802)	(48,451)
A.2 Right-of-use assets acquired through leasing	-	-	-	-	-
Total	(56,140)	(2,677)	-	(58,817)	(61,228)

Section 14 - Other operating expenses/income - Item 200

14.1 Other operating expenses: breakdown

Items/Amounts	Total 31 12 2025	Total 31 12 2024
Expenses for robberies	(870)	(1,007)
Depreciation of expenses for improvements to third-party assets classified under Other assets	(3,117)	(3,980)
Expenses on finance lease transactions	(4,629)	(5,730)
Expenses from judgments and settlement agreements	(24,843)	(25,050)
Other expenses	(16,269)	(22,457)
Total	(49,728)	(58,224)

14.2 Other operating income: breakdown

Items/Amounts	Total 31 12 2025	Total 31 12 2024
Rental income from property	8,160	8,209
Tax recoveries	191,973	173,266
Recovery of insurance premiums	1,598	1,643
Income from finance lease transactions	6,484	6,627
Recovery of other expenses	34,587	35,055
Other income	53,816	55,513
Total	296,618	280,313

The amount of EUR 34.6 mln classified under “Recovery of other expenses” includes, among other things, the compensation of legal fees incurred for the enforced recovery of bad loans of EUR 4.9 mln (EUR 4.0 mln as at 31 December 2024).

The Bank has no income deriving from the sublease of right-of-use assets (IFRS 16.53 (f)) “Other operating income” does not include any revenues under the scope of IFRS 15. The Bank does not have variable income not related to an index or a rate deriving from operating leases (IFRS 16.90 b).

Section 15 - Gains (losses) on equity investments - Item 220

15.1. Gains (losses) on equity investments breakdown

Income statement items/Sectors	Total 31 12 2025	Total 31 12 2024
A. Income	187	-
1. Revaluations	-	-
2. Gains on disposals	-	-
3. Write-backs	-	-
4. Other income	187	-
B. Expenses	-	(4)
1. Impairment losses	-	-
2. Impairment losses	-	-
3. Losses on disposals	-	-
4. Other expenses	-	(4)
Net profit (loss)	187	(4)

For information on the methodology for determining impairment losses, please see section 10.5, part B, of these notes to the financial statements.

The impairment tests as at 31 December 2025 did not show any need to recognise impairment losses on the equity investments held by the Bank.

Section 16 - Net gains (losses) on property, plant and equipment and intangible assets measured at fair value - Item 230

16.1 Net gains (losses) on property, plant and equipment and intangible assets measured at fair value (or revalued) or at presumed realisable value: breakdown

Assets / Income statement item	Revaluations (a)	Impairment losses (b)	Exchange differences		Net profit (loss) (a-b+c-d)	Net profit (loss) 31 12 2024
			Positive (c)	Negative (d)		
A. Property, plant and equipment	11,934	34,593	-	-	(22,659)	(27,365)
A.1 For own use	5,839	7,093	-	-	(1,254)	(8,159)
- owned	5,839	7,093	-	-	(1,254)	(8,159)
- right-of-use assets acquired through leasing	-	-	-	-	-	-
A.2 Held for investment purposes	5,779	26,560	-	-	(20,781)	(18,385)
- owned	5,779	26,560	-	-	(20,781)	(18,385)
- right-of-use assets acquired through leasing	-	-	-	-	-	-
A.3 Inventories	316	940	-	-	(624)	(821)
Total	11,934	34,593	-	-	(22,659)	(27,365)

Section 17 - Impairment of goodwill - Item 240

17.1 Impairment of goodwill: breakdown

In 2025 the Bank did not recognise any impairment, having fully written down in previous years all the goodwill allocated to the various CGUs (Cash Generating Units).

Section 18 - Gains (losses) on disposal of investments – Item 250

18.1 Gains (losses) on disposals of investments: breakdown

Income statement items/Sectors	Total	Total
	31 12 2025	31 12 2024
A. Property	5,221	2,667
- Gains on disposals	5,221	8,814
- Losses on disposals	-	(6,147)
B. Other assets	(169)	3
- Gains on disposals	3	3
- Losses on disposals	(172)	-
Net profit (loss)	5,052	2,670

The net profit recognised under “A. Property” of EUR 5.2 mln relates to the completion of property sale transactions during the year.

The Group did not recognise any gains arising from sale and leaseback transactions (IFRS 16.53 (i)).

Section 19 - Tax (expense)/recovery on income from continuing operations – Item 270

19.1 Tax (expense)/recovery on income from continuing operations: breakdown

Income statement items/Sectors	Total	
	31 12 2025	31 12 2024
1. Current taxes (-)	(241,286)	(80,232)
2. Changes in current taxes for previous years (+/-)	314	(1,071)
3. Reduction in current taxes for the year (+)	-	-
3.bis Reduction in current taxes for the year for tax credits under Law no. 214/2011 (+)	-	-
4. Change in deferred taxes (+/-)	1,298,057	601,343
5. Change in deferred taxes payable (+/-)	(1,214)	3,509
6. Taxes for the year (-) (-1+/-2+3+3bis+/-4+/-5)	1,055,871	523,549

The amount under line 4. “Change in deferred taxes” expresses the positive imbalance between the overall effect of the revaluation of DTA arising from the results of the probability test, amounting to EUR 1,590.2 mln, and the net reversals for the year. For a more detailed breakdown of the DTA reassessment, please refer to paragraph 10.7 – Part B – Information on the Balance Sheet of these Notes to the financial statements.

19.2 Reconciliation of theoretical to actual tax charge

Items/Amounts	31 12 2025	%	31 12 2024	%
Pre-tax profit (loss) from continuing operations	2,048,945		1,399,349	
Theoretical IRES Payable	(563,460)	27.5%	(384,821)	27.5%
Permanent decreases	(678)	0.0%	(1,372)	0.1%
Losses on the disposal/valuation of subsidiaries and associates classified at fair value through other comprehensive income	42	0.0%	-	0.0%
Non-deductible administrative expenses (Municipal real estate property tax, vehicles, telephone etc)	(720)	0.0%	(1,372)	0.1%
Permanent decreases	116,684	-5.7%	9,395	-0.7%
Gains on the disposal/valuation of subsidiaries and associates classified at fair value through other comprehensive income	380	0.0%	(11)	0.0%
Gains on the disposal/valuation of subsidiaries and associates	38	0.0%	-	0.0%
Deduction IRAP	30	0.0%	56	0.0%
Excluded dividends	116,236	-5.7%	9,350	-0.7%
DTA write-downs related to prior tax losses	1,590,215	-77.6%	986,401	-70.5%
Other components (IRES relative to previous years, spreads between Italian and foreign tax rate, etc)	(1,354)	0.1%	2,070	-0.1%
Effective IRES payable	1,141,407	-55.7%	612,758	-43.8%
Profit (loss) theoretical IRAP at nominal rate	(95,276)	4.65%	(65,070)	4.65%
Economic items not relevant for IRAP purposes	7,316	-0.4%	(5,913)	0.4%
Value adjustments and credit losses	(161)	0.0%	(327)	0.0%
Non-deductible cost of personnel	(104)	0.0%	(171)	0.0%
Profit (loss) on subsidiaries and associates	(42)	0.0%	(535)	0.0%
Other non - deductible administrative expenses (10%)	(3,312)	0.2%	(3,618)	0.3%
Amortization non-deductible (10%)	(662)	0.0%	(733)	0.1%
Value adjustments on goodwill	(535)	0.0%	(2,653)	0.2%
Other P&L items not relevant	1,458	-0.1%	974	-0.1%
Excluded dividends	10,674	-0.5%	1,150	-0.1%
Increase regional rates effect	(16,731)	0.8%	(12,570)	0.9%
Revaluation of DTA (Article 1, paragraph 74, Law 199/2025)	18,922	-0.9%	-	0.0%
Other components (IRAP relative to previous year, spreads between Italian and foreign tax rate, etc.)	233	0.0%	(5,657)	0.4%
Effective IRAP payable	(85,536)	4.2%	(89,209)	6.4%
Total effective IRES and IRAP tax expenses	1,055,871	-51.5%	523,549	-37.4%

The reconciliation relating to IRES includes, aside from the main tax at the rate of 24%, also the additional tax of 3.5% introduced by Italian Law no. 208 of 28 December 2015 (art. 1, par. 65-66).

The reconciliation shows that the theoretical charge of the nominal taxation on the pre-tax profit was more than offset in the year by the income deriving from the valuation of the DTAs; In the table, the lines named "DTA valuation effect" represent the amount of deferred taxes, accrued but not recognisable in the previous year's financial statements due to insufficient estimated future taxable income, which were fully revalued in the current financial statements, mainly as a result of the improvement in expected future earnings prospects arising from the acquisition of the Mediobanca Group. For further information, please refer to paragraph 10.7 – Part B – Information on the Balance Sheet of these Notes to the financial statements.

Section 20 - Profit (loss) after tax from discontinued operations - Item 290

20.1 Profit (loss) after tax from assets held for sale and discontinued operations: breakdown

20.2 Breakdown of income taxes on discontinued operations

The tables in this section are not completed as this case does not exist in the financial statements as at 31 December 2025 and 31 December 2024.

Section 21 - Other information

No disclosure in addition to that presented is required in accordance with the international accounting standards and Circular no. 262 of the Bank of Italy.

Section 22 - Earnings per Share

For the following section, see the description in the Consolidated Financial Statements.

Part D - Statement of Comprehensive Income

Statement of Comprehensive Income

Items	Total 31 12 2025	Total 31 12 2024
10. Profit (Loss) for the year	3,104,816	1,922,898
Other income components not reclassified to profit or loss	(9,815)	(5,741)
20. Equity instruments designated at fair value with impact on the Statement of Comprehensive Income:	496	(12)
a) change in fair value	1,031	2,961
b) transfers to other components of equity	(535)	(2,973)
30. Financial liabilities measured at fair value with impact on the income statement (changes in own creditworthiness):	(3,618)	(5,130)
a) change in fair value	(3,618)	(5,130)
50. Property, plant and equipment	(2,953)	(16,029)
70. Defined benefit plans	1,231	(253)
80. Non-current assets held for sale and disposal groups	(5,971)	8,755
100. Income taxes relating to other income components not reclassified to profit or loss	1,000	6,928
Other income components reclassified to profit or loss	(4,500)	38,226
120. Exchange differences:	(4,162)	2,101
c) other changes	(4,162)	2,101
130. Cash flow hedging:	(18,058)	9,713
a) changes in fair value	(10,661)	16,910
b) reclassification to profit or loss	(490)	-
c) other changes	(6,907)	(7,197)
150. Financial assets (other than equity instruments) measured at fair value with impact on the Statement of Comprehensive Income:	16,014	45,112
a) changes in value	10,552	41,857
b) reclassification to profit or loss	5,462	3,255
- adjustments for credit risk	1,631	-
- realised gains/losses	3,831	3,255
180. Income taxes relating to other comprehensive income reclassified to profit or loss	1,706	(18,700)
190. Total other comprehensive income	(14,315)	32,485
200. Statement of Comprehensive Income (Item 10 + 190)	3,090,501	1,955,383

Part E - Information on risks and hedging policies

Note: Public Disclosure (Basel III Pillar) is published on the

Group's website: <https://www.gruppomps.it/investor-relations>.

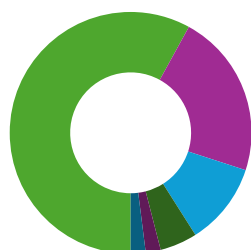
Foreword

This Part of the Notes to the Financial Statements provides quantitative information on risks referring to Banca Monte dei Paschi di Siena. For qualitative information on the risk management process and on the management and monitoring of risks, please refer to Part E of the Notes to the Consolidated Financial Statements.

Analysis of the Internal Capital

As at 31 December 2025, the Bank's Overall Economic Capital (excluding intra-group transactions) is attributable for approximately 58% to credit and counterparty risk (which already includes the requirements relating to issuer risk on the Banking Book, equity investment risk and real estate risk), for approximately 22% to financial risks, for 11% to operational risks, for approximately 5% to business/strategic risks, for 2% to model risk and for approximately 2% to concentration risk.

Internal RWA
MPS Bank - 31.12.2025



- Credit and Counterparty Risk; 58%
- Financial Risk; 22%
- Operational Risk; 11%
- Business/Strategic Risk; 5%
- Concentration Risk; 2%
- Model Risk; 2%

Section 1 - Credit risk

Qualitative Information

Please refer to Part E of the Notes to the Consolidated Financial Statements.

Quantitative Information

A. Credit quality

For the purposes of quantitative information on credit quality:

- the term “on-balance sheet exposure” refers to all on-balance sheet financial assets with regard to banks or customers, regardless of their portfolio of accounting recognition (measured at fair value through profit or loss, measured at fair value through other comprehensive income, measured at amortised cost, non-current financial assets held for sale and disposal groups). Sight receivables from banks and central banks fall within the definition of on-balance sheet exposures but are conventionally excluded from the tables in Section 1, except in the cases expressly indicated in which they must be considered;
- the term “off-balance sheet exposure” refers to all financial transactions other than on-balance sheet ones (financial guarantees given, revocable and irrevocable commitments, derivatives, etc.) that involve the assumption of credit risk, regardless of the purpose for such transactions (trading, hedging, etc.). Off-balance sheet exposures also include the counterparty risk connected to securities lending transactions and repurchase agreements and to the granting or assumption of goods on a loan basis, as well as to transactions with margins included within the notion of Securities Financing Transactions as defined by prudential regulations.

Non-performing loans (on and off-balance sheet) do not include financial assets held for trading and hedging derivatives, which are therefore traditionally recognised among performing exposures.

Equity securities and units of UCITS are excluded.

A.1 Non-performing and performing loans: amounts, value adjustments, changes, trend and breakdown by business sector

A.1.1 Breakdown of financial assets by portfolio category and credit quality (book values)

31 12 2025

Portfolio/Quality	Bad loans	Unlikely to pay	Past-due non-performing exposures	Past-due performing exposures	Performing exposures	Total
1. Financial assets measured at amortised cost	372,702	1,066,635	34,722	368,479	92,364,261	94,206,799
2. Financial assets measured through other comprehensive income	-	1,209	-	-	1,660,092	1,661,301
3. Financial assets designated at fair value	-	-	-	-	-	-
4. Financial assets mandatorily measured at fair value	2,806	1,689	12	-	142,345	146,852
5. Financial asset held for sale	26,343	77,975	-	5,143	757,536	866,997
Total 31 12 2025	401,851	1,147,508	34,734	373,622	94,924,234	96,881,949
Total 31 12 2024	429,254	1,372,979	64,492	367,348	91,538,358	93,772,431

As at 31 December 2025, the Bank has outstanding forborne positions for a total value of EUR 1,417.2 mln (EUR 1,737.2 mln as at 31 December 2024), of which EUR 637.1 mln relate to non-performing exposures (EUR 731.4 mln as at 31 December 2024) and EUR 785.0 mln to exposures that are not non-performing (EUR 1,005.8 mln as at 31 December 2024). For further information on these exposures, please refer to table A.1.7 below.

A.1.2 Breakdown of financial assets by portfolio and credit quality (gross and net values)

31 12 2025

Portfolio/quality	Non-performing assets				Performing assets			Total (Net exposure)
	Gross exposure	Impairment (loss)	Net exposure	Total Partial Write-off**	Gross exposure	Impairment (loss)	Net exposure	
1. Financial assets measured at amortised cost	2,880,542	1,406,483	1,474,059	79,508	93,237,828	505,088	92,732,740	94,206,799
2. Financial assets measured through other comprehensive income	3,896	2,687	1,209	-	1,660,675	583	1,660,092	1,661,301
3. Financial assets designated at fair value	-	-	-	-	X	X	-	-
4. Financial assets mandatorily measured at fair value	7,269	2,760	4,509	2	X	X	142,345	146,854
5. Financial asset held for sale	230,889	126,571	104,318	712	769,765	7,086	762,679	866,997
Total 31 12 2025	3,122,596	1,538,501	1,584,095	80,222	95,668,268	512,757	95,297,856	96,881,949
Total 31 12 2024	3,578,810	1,712,085	1,866,725	16,076	92,190,239	472,174	91,905,706	93,772,431

*Value to be presented for disclosure purposes

At the reporting date of these financial statements, the Bank has 70 positions relating to creditors who have applied for an arrangement with creditors (44 in 2024) for a net exposure of approximately EUR 79.0 mln (EUR 17.4 mln as at 31 December 2024).

As at 31 December 2025, the Bank holds impaired financial assets acquired for a nominal value of EUR 18.8 mln, classified in the portfolio "financial assets measured at amortised cost" at the price of EUR 0.6 mln.

The following table provides evidence of the credit quality referring to credit exposures classified in the portfolio of financial assets held for trading (securities and derivatives) and hedging derivatives (not shown in the previous table):

Portfolios/quality	Assets with evident poor credit quality		Other assets
	Cumulative capital losses	Net exposure	Net exposure
1. Financial assets held for trading	71,277	4,403	7,750,129
2. Hedging derivatives	-	-	720,716
Total 31 12 2025	71,277	4,403	8,470,845
Total 31 12 2024	57,561	546	6,046,338

A.1.3 - Breakdown of financial assets by past due ranges (book values)

Portfolios/risk stages	Stage 1			Stage 2			Stage 3			Purchased or originated credit impaired financial assets		
	1 day to 30 days	Over 30 days to 90 days	Over 90 days	1 day to 30 days	Over 30 days to 90 days	Over 90 days	1 day to 30 days	Over 30 days to 90 days	Over 90 days	1 day to 30 days	Over 30 days to 90 days	Over 90 days
1. Financial assets measured at amortised cost	207,625	-	-	96,722	53,481	10,649	46,111	96,497	803,309	1	-	1,104
2. Other financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
3. Financial assets held for sale	147	-	-	2,444	423	2,129	1,897	7,926	76,651	-	-	-
Total 31 12 2025	207,772	-	-	99,166	53,904	12,778	48,008	104,423	879,960	1	-	1,104
Total 31 12 2024	127,464	-	-	139,016	79,901	20,395	50,424	121,220	1,016,949	-	-	1,283

A.1.4 - Financial assets, commitments to disburse funds and financial guarantees issued: changes in overall value adjustments and total allocations

Causes/risk stages	Total impairment (losses)											
	Assets included in Stage 1						Assets included in Stage 2					
	At sight loans from 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 write-downs	of which: collective write-downs	At sight loans from 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 write-downs	of which: collective write-downs
Opening total adjustments	246	116,984	1,210	-	-	118,439	-	352,650	1,332	-	-	353,980
Increases from financial assets purchased or originated	-	22,466	353	155	-	22,973	-	13,675	-	55	-	13,731
Derecognitions other than write-offs	-	(8,061)	(908)	-	-	(8,968)	-	(26,860)	-	-	-	(26,860)
Net impairment losses/reversals on credit risk (+/-)	(116)	(34,058)	(71)	1,678	-	(32,567)	-	(4,245)	-	(5,080)	-	(9,326)
Contractual changes without cancellation	-	(1)	-	-	-	(1)	-	42	-	-	-	42
Changes in estimation methodology	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs not recognised directly in profit or loss	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	76,373	-	3,307	-	79,679	-	(3,882)	(1,332)	6,972	-	1,759
Closing total adjustments	130	173,703	584	5,140	-	179,555	-	331,380	-	1,947	-	333,326
Recoveries from collections on financial assets subject to write-offs	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs recognised directly in profit or loss	-	-	-	-	-	-	-	-	-	-	-	-

Causes/risk stages	Total impairment (losses)										Total provisions on commitments to disburse funds and financial guarantees issued				
	Assets classified as Stage 3						Purchased or originated credit-impaired financial assets								
	At sight loans from 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 write-downs	of which: collective write-downs	Financial assets measured at amortised cost	Financial assets measured at fair value through other comprehensive income	Financial assets held for sale	of which: individual write-downs	of which: collective write-downs	Stage 1	Stage 2	Stage 3	Commitments to disburse funds and financial guarantees issued: purchased or originated credit-impaired
Opening total adjustments	238	1,704,576	-	-	770,945	933,871	764	-	-	764	12,375	20,923	108,241	8,081	2,327,620
Increases from financial assets purchased or originated	-	3	-	-	3	-	X	X	X	X	2,127	3,414	363	-	42,611
Derecognitions other than write-offs	-	(450,303)	-	-	(143,149)	(307,154)	(27)	-	-	(27)	(838)	(2,794)	(8,739)	-	(498,530)
Net impairment losses/reversals on credit risk (+/-)	(3)	393,022	1,356	16,881	164,607	246,650	109	-	-	109	(6,381)	12,500	5,300	(8,072)	372,820
Contractual changes without cancellation	-	(1,512)	-	5	(1,308)	(199)	-	-	-	-	-	-	-	-	(1,466)
Changes in estimation methodology	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Write-offs not recognised directly in profit or loss	-	(163,892)	-	(488)	(77,947)	(86,433)	-	-	-	-	-	-	-	-	(164,380)
Other changes	-	(76,251)	1,331	110,124	(24,735)	59,939	-	-	(2)	-	5,119	(5,506)	387	-	116,642
Closing total adjustments	235	1,405,643	2,687	126,522	688,416	846,674	846	-	(2)	846	12,402	28,537	105,552	9	2,195,317
Recoveries from collections on financial assets subject to write-offs	-	4,748	-	-	4,748	-	158	-	158	-	-	-	-	-	4,906
Write-offs recognised directly in profit or loss	-	(3,437)	-	-	(3,437)	-	-	-	-	-	-	-	-	-	(3,437)

During the 2025 financial year, the impairment provisions recorded an overall decrease of approximately EUR 132.3 mln compared with the figure as at 1 January 2025, mainly attributable to the trend in the value adjustments on financial assets measured at amortised cost classified as Stage 3 (EUR -298.9 mln) and to the adjustments relating to Stage 3 loans classified as financial assets held for sale (EUR +126.5 mln). In particular, with reference to this accounting portfolio, the following elements contributed to this trend in the line:

- For “Derecognition other than write off”, a reduction in provisions of EUR 485.2 mln, mainly attributable to the deconsolidation of non-performing positions included in loan portfolio disposal transactions and to the disposal of certain individual positions;
- For “write-off not recognised directly in profit or loss”, a reduction in provisions for non-performing loans for a total of EUR 163.9 mln, entirely referring to positions classified as Stage 3. It should be noted that write-offs not covered by provisions generated impact on profit or loss of EUR 3.4 mln;
- “Net impairment losses/reversals on credit risk”: a net increase in provisions of EUR 354.7 mln, of which EUR 393.0 mln referred to stage 3. Among the main factors that influenced this latter trend, there were, among others, adjustments related to the disposal of non-performing loans carried out during the year, management overlays and the update of the IFRS 9 PD and LGD models. In this regard, reference is made for further details to paragraph “2.3 Methods to measure expected losses” of the Notes to the consolidated financial statements.

A.1.5 - Financial assets, commitments to disburse funds and financial guarantees issued: transfers among the different stages of credit risk (gross and nominal values)

Portfolios/risk stages	Gross values / 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	4,007,255	2,823,556	518,298	241,683	229,464	7,284
2. Other financial assets measured at fair value through other comprehensive income	-	50,190	3,896	-	-	-
3 Financial assets held for sale	79,153	87,357	7,007	546	4,747	-
4. Commitments to disburse funds and financial guarantees issued	1,195,558	1,487,650	76,573	18,196	35,968	8,205
Total 31 12 2025	5,202,813	4,361,396	598,767	259,879	265,432	15,489
Total 31 12 2024	8,054,660	3,553,725	918,685	165,138	487,014	12,894

31 12 2025

A.1.6 - Balance sheet and off-balance sheet credit exposures to banks: gross and net values

Types of exposures/ Amounts	Gross exposure					Total value adjustments and total provisions					Net exposure	Total partial write-offs*
	Total Gross exposures	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets	Total impairment (losses)	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets		
A. Balance sheet credit exposures												
A.1 On demand	14,253,214	14,252,857	-	357	-	(365)	(130)	-	(235)	-	14,252,849	-
a) Non-performing	357	X	-	357	-	(235)	X	-	(235)	-	122	-
b) Performing	14,252,857	14,252,857	-	X	-	(130)	(130)	-	X	-	14,252,727	-
A.2 Other	4,745,704	4,128,651	-	14,412	-	(9,768)	(476)	-	(9,292)	-	4,735,936	-
a) Bad loans	-	X	-	-	-	-	X	-	-	-	-	-
- of which forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
b) Unlikely to pay exposures	14,412	X	-	14,412	-	(9,292)	X	-	(9,292)	-	5,120	-
- of which forborne exposures	13,608	X	-	13,608	-	(8,782)	X	-	(8,782)	-	4,826	-
c) Non-performing past due loans	-	X	-	-	-	-	X	-	-	-	-	-
- of which forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
d) Past-due performing loans	-	-	-	X	-	-	-	-	X	-	-	-
- of which forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
e) Other performing exposures	4,731,292	4,128,651	-	X	-	(476)	(476)	-	X	-	4,730,816	-
- of which forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
Total A	18,998,918	18,381,508	-	14,769	-	(10,133)	(606)	-	(9,527)	-	18,988,785	-
B. Off-balance sheet exposures												-
a) Non-performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	2,500,899	445,105	-	X	-	(175)	(175)	-	X	-	2,500,724	-
Total B	2,500,899	445,105	-	-	-	(175)	(175)	-	-	-	2,500,724	-
Total (A+B)	21,499,817	18,826,613	-	14,769	-	(10,308)	(781)	-	(9,527)	-	21,489,509	-

*Value to be presented for disclosure purposes

At the reporting date for these financial statements, the table does not include purchased or originated impaired financial assets.

A.1.7 – Balance sheet and off-balance sheet credit exposures to customers: gross and net values

Portfolio/quality	Gross Exposure					Impairment (losses) and total provisions					Net exposure	Partial Write-off *
	Total gross exposure	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets	Stage 1	Stage 2	Stage 3	Purchased or originated credit impaired financial assets			
A. Balance-sheet exposure												
a) Bad loans	1,065,206	X	-	1,060,592	1,534	X	-	(662,446)	(688)	401,851	62,771	
- of which forborne	218,997	X	-	218,723	118	X	-	(134,930)	(81)	83,905	11,762	
b) Unlikely to pay	1,994,609	X	-	1,989,901	433	X	-	(849,483)	(152)	1,142,388	17,449	
- of which forborne	905,125	X	-	903,623	433	X	-	(358,754)	(152)	545,900	7,739	
c) Past-due non-performing exposuress	48,369	X	-	48,355	-	X	-	(13,633)	-	34,735	2	
- of which forborne	3,321	X	-	3,321	-	X	-	(903)	-	2,418	-	
d) Past-due performing exposures	409,440	209,215	200,225	X	-	(1,443)	(34,376)	X	-	373,621	66	
- of which forborne	18,596	-	18,596	X	-	-	(852)	X	-	17,744	-	
e) Other assets not impaired	95,718,001	81,288,557	9,840,972	X	650	(177,506)	(298,950)	X	(7)	95,241,538	3,936	
- of which forborne	809,398	-	809,398	X	-	-	(42,118)	X	-	767,280	702	
Total A	99,235,625	81,497,772	10,041,197	3,098,848	2,617	(178,949)	(333,326)	(1,525,562)	(847)	97,194,133	84,224	
B. Off-balance-sheet exposure												
a) Performing	553,902	X	-	546,402	7,500	X	-	(105,553)	-	448,349	-	
b) Non-performing	41,916,040	36,441,688	915,786	X	3,917	(12,225)	(28,538)	X	(10)	41,867,571	-	
Total B	42,469,942	36,441,688	915,786	546,402	11,417	(12,225)	(28,538)	(105,553)	(10)	42,315,920	-	
Total (A+B)	141,705,567	117,939,460	10,956,983	3,645,250	14,034	(191,174)	(361,864)	(1,631,115)	(857)	139,510,053	84,224	

*Value to be presented for disclosure purposes

Please see the Report on Operations for quantification of and reporting on capital ratios for hedging of lending transactions.

As at 31 December 2025, the Bank holds acquired impaired loans with a nominal value of EUR 18.8 mln; The loans were classified in the portfolio "Financial assets measured at amortised cost" at the purchase price of EUR 0.7 mln, appropriately adjusted in order to align the net book value to the initial recognition fair value.

For more detailed information on originated or purchased impaired financial assets, reference should be made to paragraph 3.3 "Purchased or originated impaired financial assets", section 1 "Credit risk - Qualitative information" in these Notes to the consolidated financial statements.

A.1.8 - Balance-sheet exposure to banks: changes in gross non-performing loans

31 12 2025

Reasons/Categories	Bad loans	Unlikely to pay exposures	Non-performing past due loans
A. Opening gross exposure	-	14,777	-
- of which: transferred exposures not derecognised	-	-	-
B. Increases	-	-	-
B.1 Transfers from performing exposures	-	-	-
B.2 Transfers from purchased or originated impaired financial assets	-	-	-
B.3 Transfers from other categories of non-performing exposures	-	-	-
B.4 Contractual changes without cancellation	-	-	-
B.5 Other increases	-	-	-
C. Decreases	-	8	-
C.1 Transfers to performing exposures	-	-	-
C.2 Write-offs	-	-	-
C.3 Collections	-	8	-
C.4 Proceeds from disposals	-	-	-
C.5 Losses on disposals	-	-	-
C.6 Transfers to other categories of non-performing exposures	-	-	-
C.7 Contractual changes without cancellation	-	-	-
C.8 Other decreases	-	-	-
D. Closing gross exposure	-	14,769	-
- of which: transferred exposures not derecognised	-	-	-

At the reporting date, there are no impaired financial assets purchased during the financial year through either business combination transactions or other types of acquisitions.

A.1.8 bis – Balance-sheet credit exposure to banks: changes in gross forborne exposure broken down by credit quality

31 12 2025

Source/Categories	Non-performing forborne exposures	Performing forborne exposures
A. Goss exposure, opening balance	-	-
- of which: transferred but not derecognised	-	-
B. Increases	13,608	-
B.1 Transfers from performing loans non forborne exposure	-	-
B.2 Transfers from performing forborne esposures	-	X
B.3 Transfers from Non-performing forborne esposures	X	-
B.4 Transfers from Non-performing loans non forborne exposure	-	-
B.5 Other increases	13,608	-
C. Decreases	-	-
C.1 Transfers to performing loans non forborne exposure	X	-
C.2 Transfers to performing forborne exposures	-	X
C.3 Transfers to non-performing forborne exposures	X	-
C.4 Write-offs	-	-
C.5 Collections	-	-
C.6 Amounts realised upon disposal of positions	-	-
C.7 Losses from disposal	-	-
C.8 Other decreases	-	-
D. Gross exposure, closing balance	13,608	-
- of which: transferred but not derecognised	-	-

A.1.9 – Balance-sheet credit exposure to customers: changes in gross non-performing loans

31 12 2025

Reasons/Categories	Bad loans	Unlikely to pay (UTP)	Non-performing past-due exposures
A. Opening gross exposure	1,244,851	2,230,195	89,345
- of which: transferred exposures not derecognised	-	-	-
B. Increases	497,472	921,250	48,456
B.1 Transfers from performing exposures	83,329	762,180	39,595
B.2 Transfers from purchased or originated impaired financial assets	3	-	-
B.3 Transfers from other categories of non-performing exposures	366,285	42,031	436
B.4 Contractual changes without cancellation	-	303	-
B.5 Other increases	47,855	116,736	8,425
C. Decreases	677,115	1,156,835	89,435
C.1 Transfers to performing exposures	-	243,618	13,065
C.2 Write-offs	140,586	27,138	44
C.3 Collections	233,399	387,892	25,420
C.4 Proceeds from disposals	66,095	78,341	-
C.5 Losses on disposals	-	-	-
C.6 Transfers to other categories of non-performing exposures	524	357,321	50,906
C.7 Contractual changes without cancellation	-	4,021	-
C.8 Other decreases	236,511	58,504	-
D. Closing gross exposure	1,065,208	1,994,610	48,366
- of which: transferred exposures not derecognised	-	-	-

The line item other decreases, amounting to a total of EUR 295.0 mln, is attributable for EUR 275.7 mln to non-performing loans subject to disposal during the year, of which EUR 220.4 mln is classified as bad loans and EUR 55.3 mln as unlikely to pay.

With reference to bad loans, 6% of payments, almost entirely related to Parent Company's positions, received are from judicial collections, 16% from out-of-court settlements, 16% from property leasing administration, and 62% from enforcement of consortium/government guarantees (first-demand); in addition, around EUR 66.1 mln relating to collections from disposal.

A.1.9bis – Balance-sheet credit exposure to customers: changes in gross forborne exposure broken down by credit quality

31 12 2025

Reasons/Credit quality	Non-performing forborne exposures	Performing forborne exposures
A. Opening gross exposure	1,233,204	1,073,963
- of which: transferred exposures not derecognised		
B. Increases	408,337	442,318
B.1 Inflows from performing non-forborne exposures	88,148	188,208
B.2 Inflows from performing forborne exposures	155,397	X
B.3 Inflows from non-performing forborne exposures	X	180,875
B.4 Inflows from non-performing non-forborne exposures	103,051	685
B.5 Other increases	61,741	72,550
C. Decreases	514,099	688,287
C.1 Transfers to performing non-forborne exposures	X	268,344
C.2 Transfers to performing forborne exposures	180,875	X
C.3 Transfers to non-performing forborne exposures	X	155,397
C.4 Write-offs	31,192	42
C.5 Collections	184,750	238,992
C.6 Proceeds from disposals	37,951	-
C.7 Losses on disposal	-	-
C.8 Other decreases	79,331	25,512
D. Closing gross exposure	1,127,442	827,994
- of which: transferred exposures not derecognised	-	-

A.1.10 - Non-performing balance-sheet credit exposures to banks: changes in overall value adjustments

31 12 2025

Reasons/Categories	Bad loans		Unlikely to pay (UTP)		Non-performing past-due exposures	
	Total	Of which: Forborne exposures	Total	Of which: Forborne exposures	Total	Of which: Forborne exposures
A. Opening total adjustments	-	-	6,625	-	-	-
- of which: transferred exposures not derecognised	-	-	-	-	-	-
B. Increases	-	-	2,906	8,782	-	-
B.1 Value adjustments on purchased or originated impaired financial assets	-	X	-	X	-	X
B.2. Other value adjustments	-	-	2,906	2,906	-	-
B.3 Losses on disposal	-	-	-	-	-	-
B.4 Transfers from other categories of non-performing exposures	-	-	-	-	-	-
B.5 Contractual changes without cancellation	-	X	-	X	-	X
B.6 Other increases	-	-	-	5,876	-	-
C. Decreases	-	-	4	-	-	-
C.1 Write-backs from measurement	-	-	4	-	-	-
C.2 Write-backs from collection	-	-	-	-	-	-
C.3 Gains on disposal	-	-	-	-	-	-
C.4 Write-offs	-	-	-	-	-	-
C.5 Transfers to other categories of non-performing exposures	-	-	-	-	-	-
C.6 Contractual changes without cancellation	-	X	-	X	-	X
C.7 Other decreases	-	-	-	-	-	-
D. Closing total adjustments	-	-	9,527	8,782	-	-
- of which: transferred exposures not derecognised	-	-	-	-	-	-

At the reporting date, there are no impaired financial assets purchased during the financial year through either business combination transactions or other types of acquisitions.

A.1.11 - Non-performing balance-sheet credit exposure to customers: changes in overall value adjustments

Source/Categories	Bad loans		Unlikely to pay		Non-performing Past due	
	Total	of which forborne	Total	of which forborne	Total	of which forborne
A. Opening balance of overall adjustments	815,595	159,891	865,249	340,720	24,855	1,151
- of which: transferred but not derecognised	-	-	-	-	-	-
B. Increases	324,928	56,614	412,666	172,562	10,997	851
B.1 Value adjustments from purchased or originated credit impaired	3	X	-	X	-	X
B.2 Other value adjustment	181,436	28,562	363,350	136,231	9,670	619
B.3 Loss from disposal	-	-	-	-	-	-
B.4 Transfers from other categories of non performing exposures	140,149	24,781	13,142	672	200	121
B.5 Modification gains/losses	-	X	75	X	-	X
B.6 Other increases	3,340	3,271	36,099	35,659	1,127	111
C. Decreases	477,168	81,413	425,694	154,057	22,218	1,099
C.1 Write-backs from valuation	63,701	9,549	79,445	15,501	4,349	165
C.2 Write-backs from collection	52,197	10,415	84,253	52,510	2,198	113
C.3 Profit from disposal	-	-	1,261	661	-	-
C.4 Write-offs	140,586	17,903	27,138	13,288	44	-
C.5 Transfers to other categories of non performing exposure	306	-	138,443	24,807	14,742	766
C.6 Modification gains/losses	-	X	1,542	X	-	X
C.7 Other decreases	220,378	43,546	93,612	47,290	885	55
D. Closing balance of overall adjustments	663,355	135,092	852,221	359,225	13,634	903
- of which: transferred but not derecognised	-	-	-	-	-	-

The line “Other decreases in non-performing assets”, amounting to a total of EUR 314.9 mln, refers mainly to the closing of provisions relating to non-performing loans subject to disposal in 2025, of which EUR 220.4 mln relates to positions classified as bad loans and EUR 55.3 mln to positions classified as unlikely to pay.

Exposure to sovereign debt risk

The net exposure to sovereign credit risk in government securities, loans and credit derivatives held by the Bank as at 31 December 2025 is shown below.

COUNTRY	DEBT SECURITIES					LOANS	CREDIT DERIVATIVES
	Financial assets measured at fair value through profit and loss		Financial assets measured at fair value through other comprehensive income		Financial assets measured at amortised cost	Financial assets measured at amortised cost	Financial assets held for trading
	Nominal	Fair value=book value	Nominal	Fair value=book value	Book value	Book value	Nominal
Argentina	0.4	-	-	-	-	-	-
Belgium	-	-	33.0	23.6	-	-	-
France	-	-	90.0	87.1	9.8	-	-
Italy	2,790.2	2,527.6	820.0	813.4	8,605.3	1,398.9	1,144.0
Mexico	0.1	-	15.0	12.2	-	-	-
Peru	-	-	2.0	1.7	-	-	-
Portugal	0.3	0.2	75.0	75.1	2.7	-	-
Romania	-	-	30.0	27.3	-	-	-
Spain	-	-	-	-	634.9	-	-
United States	170.2	167.1	-	-	-	-	-
South Africa	-	-	5.0	5.1	-	-	-
Other Countries	0.1	0.1	-	-	-	-	-
Total 31 12 2025	2,961.3	2,695.0	1,070.0	1,045.5	9,252.7	1,398.9	1,144.0
Total 31 12 2024	1,841.20	1,573.20	1,691.7	1,589.6	9,087.5	1,528.1	1,475.9

Details on the Bank's exposure is presented taking into consideration that, according to instructions from the European Securities and Markets Authority (ESMA), "sovereign debt" is defined as bonds issued by the central and local Governments and by government Entities, as well as loans disbursed to said entities. These financial instruments were measured according to the standards applicable to the category to which they belong.

As at 31 December 2025, the residual duration of the exposure to the most significant component of sovereign debt (debt securities on Italy) is 6.66 years. The overall exposure to loans and debt securities amounts to EUR 14,392.1 mln, almost entirely held with respect to Italy, and is concentrated in the portfolio of financial assets measured at amortised cost. Exposures to Italy are almost entirely classified in level 1 of the fair value hierarchy, less EUR 365.0 mln classified in level 2 and mainly attributable to government Securities.

We provide below a breakdown of reserves on financial assets measured at fair value through other comprehensive income and of Italian credit derivatives (in EUR/mln):

Financial assets measured at fair value through other comprehensive income: Italy	31 12 2025	31 12 2024
Book value	813.4	1,451.9
OCI reserve (after tax)	(9.0)	(19.2)
of which: hedging effect (after tax)	-	0.1

Credit derivatives - Italy	31 12 2025	31 12 2024
Purchase of protection		
Nominal	(79.3)	(79.8)
Positive fair value	-	-
Negative fair value	(6.0)	(4.7)
Sale of protection		
Nominal	1,223.3	1,555.7
Positive fair value	-	-
Negative fair value	(13.7)	(45.0)

A.2 Classification of exposures by external and internal ratings

A.2.1 – Breakdown of financial assets, commitments to disburse funds and financial guarantees issued by external rating class (gross values)

31 12 2025

Exposures	External rating classes						No Rating	Total
	class 1	class 2	class 3	class 4	class 5	class 6		
A. Financial assets measured at amortised cost	1,035,824	2,176,621	9,438,405	1,064,394	77,435	-	82,325,691	96,118,370
- Stage 1	1,035,824	2,176,583	9,438,023	330,631	37,183	-	70,389,154	83,407,398
- Stage 2	-	38	382	733,763	40,252	-	9,055,347	9,829,782
- Stage 3	-	-	-	-	-	-	2,878,574	2,878,574
-purchased or originated credit impaired financial assets	-	-	-	-	-	-	2,616	2,616
B. Financial assets measured at fair value through other comprehensive income	718,026	80,157	856,339	6,153	-	-	3,896	1,664,571
- Stage 1	718,026	80,157	856,339	6,153	-	-	-	1,660,675
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	3,896	3,896
-purchased or originated credit impaired financial assets	-	-	-	-	-	-	-	-
C. Financial assets held for sale	-	-	-	-	-	-	1,000,554	1,000,554
- Stage 1	-	-	-	-	-	-	558,351	558,351
- Stage 2	-	-	-	-	-	-	211,415	211,415
- Stage 3	-	-	-	-	-	-	230,788	230,788
-purchased or originated credit impaired financial assets	-	-	-	-	-	-	-	-
Total (A+B+C)	1,753,850	2,256,778	10,294,744	1,070,547	77,435	-	83,330,141	98,783,495
D. Commitments to disburse funds and financial guarantees issued	32,320	517,168	1,067,989	1,108,174	82,607	21,210	35,957,382	38,786,850
- Stage 1	32,320	517,168	1,059,989	1,108,174	82,592	21,210	34,491,792	37,313,245
- Stage 2	-	-	8,000	-	15	-	907,771	915,786
- Stage 3	-	-	-	-	-	-	546,402	546,402
-purchased or originated credit impaired financial assets	-	-	-	-	-	-	11,417	11,417
Total (A+B+C+D)	1,786,170	2,773,946	11,362,733	2,178,721	160,042	21,210	119,287,523	137,570,345

class 1=AAA/AA-; class 2=A+/A-; class 3=BBB+/BBB-; class 4=BB+/BB-; class 5=B+/B- class 6=Lower than B-

The external rating categories used to complete the table are from Standard & Poor's. Balance-sheet gross exposures correspond to the exposures in Table E.A.1.2, while off-balance-sheet exposures correspond to those shown in Table E.A.1.6 and E.A.1.7. If multiple external ratings are assigned, the rating is selected based on Bank of Italy's criteria (when two ratings are available, the lower of the two is used, and when three or more ratings are assigned, the second highest rating is selected). To ensure relevance of information, internal cross-reference tables were used to convert classification by various rating agencies into classification by Standard & Poor's.

31 12 2025

A.2.2 – Breakdown of financial assets, commitments to disburse funds and financial guarantees issued by internal rating class (gross values)

Exposures	Internal rating classes						No Rating	Total
	High quality	Average quality	Fair quality	Mediocre quality	Poor quality	Default		
A. Financial assets measured at amortised cost	11,002,908	23,831,335	20,102,788	8,675,541	325,458	2,880,541	29,299,799	96,118,370
- Stage 1	10,751,111	23,079,239	17,545,815	4,209,643	2,238	-	27,819,351	83,407,397
- Stage 2	251,797	752,096	2,556,973	4,465,248	323,220	-	1,480,448	9,829,782
- Stage 3	-	-	-	-	-	2,878,575	-	2,878,575
-purchased or originated credit impaired financial assets	-	-	-	650	-	1,966	-	2,616
B. Financial assets measured at fair value through other comprehensive income	932	1,465	-	-	-	3,896	1,658,278	1,664,571
- Stage 1	932	1,465	-	-	-	-	1,658,278	1,660,675
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	3,896	-	3,896
-purchased or originated credit impaired financial assets	-	-	-	-	-	-	-	-
C. Financial assets held for sale	38,241	95,091	464,701	151,439	11,957	230,788	8,338	1,000,555
- Stage 1	37,558	91,314	362,768	58,766	114	-	7,831	558,351
- Stage 2	683	3,777	101,933	92,673	11,843	-	507	211,416
- Stage 3	-	-	-	-	-	230,788	-	230,788
-purchased or originated credit impaired financial assets	-	-	-	-	-	-	-	-
Total (A+B+C)	11,042,081	23,927,891	20,567,489	8,826,980	337,415	3,115,225	30,966,415	98,783,496
D. Commitments to disburse funds and financial guarantees issued	6,460,888	8,628,334	8,142,308	2,057,091	18,124	553,902	12,926,202	38,786,849
- Stage 1	6,385,356	8,499,441	7,819,097	1,684,435	12,474	-	12,912,441	37,313,244
- Stage 2	75,532	128,893	323,211	368,739	5,650	-	13,761	915,786
- Stage 3	-	-	-	-	-	546,402	-	546,402
-purchased or originated credit impaired financial assets	-	-	-	3,917	-	7,500	-	11,417
Total (A+B+C+D)	17,502,969	32,556,225	28,709,797	10,884,071	355,539	3,669,127	43,892,617	137,570,345

High Quality customers (Master Scale categories AAA and A1) Good Quality customers (Master Scale categories A2, A3 and B1) Fair Quality customers (Master Scale categories B2, B3, C1 and C2) Mediocre Quality customers (Master Scale categories C3, D1, D2 and D3) Poor Quality customers (Master Scale categories E1, E2 and E3)

The table provides a breakdown of customers of the Bank by risk categories assigned on the basis of ratings arising from internal models. For this purpose, account is given only of exposures (borrowers) for which an internal rating is periodically recorded for models/legal entities/portfolios which have been subject to a validation process with the Supervisory Authority without any cross-reference from official ratings to internal ratings, especially with regard to the following customer segments: "Banks," "Non-banking financial institutions," and "Governments and Public Administration". Thus, based on this provision, exposures related to the latter segments, even if covered by official ratings, were reported as "unrated" in the internal rating models.

A.3 Breakdown of secured credit exposures by type of collateral

A.3.1 - Secured on- and off-balance-sheet exposures to banks

	Amount of gross exposure	Amount of Net Exposure	Collaterals				Personal guarantees								Total collateral and personal guarantees	
							Credit derivatives				Unsecured signature loans					
			Real estate mortgages	Real estate leasing	Securities	Other collaterals	CLN	Other derivatives			Public entities	Banks	Other financial entities	Other entities		
								Central counterparties	Banks	Other Financial entities						
1. Secured balance-sheet exposures:	988,818	988,803	736	-	965,663	-	-	-	-	-	-	-	-	-	7,604	974,003
1.1 totally secured	974,069	974,055	736	-	965,663	-	-	-	-	-	-	-	-	-	-	966,399
of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1.2 partially secured	14,749	14,748	-	-	-	-	-	-	-	-	-	-	-	-	7,604	7,604
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. Secured off-balance sheet exposures:	207,503	207,503	-	-	-	194,228	-	-	-	-	-	-	-	-	-	194,228
2.1 totally secured	16	16	-	-	-	16	-	-	-	-	-	-	-	-	-	16
of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2.2 partially secured	207,487	207,487	-	-	-	194,212	-	-	-	-	-	-	-	-	-	194,212
- of which non-performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

In addition to balance-sheet exposures, the table shows the amount of off-balance-sheet exposures to banks (including derivative contracts with banks) which are fully or partially secured. As regards personal guarantees, the economic segments to which guarantors and sellers of protection belong (in the case of unsecured loans and credit derivatives, respectively) are identified making reference to the classification criteria provided for in the brochure “classification of customers by segments and groups of economic activity” published by the Bank of Italy.

Exposures are classified as either “totally secured” or “partially secured” by comparing the gross exposure with the amount of the guarantee established in the contract; for that purpose, any supplemental guarantees are also considered.

The fair value of collaterals estimated as at the reporting date is shown in the columns “Collaterals” and “Personal guarantees”; if such information is not available, the contractual value is reported. Please note that both values may not be higher than the book value of secured exposures, in line with the 8th update to Bank of Italy Circular 262.

A.3.2 - Secured on- and off-balance-sheet exposures to customers

	Amount of gross exposure	Amount of Net Exposure	Collaterals				Personal guarantees								Total collateral and personal guarantees	
							Credit derivatives				Unsecured signature loans					
			Real estate mortgages	Real estate leasing	Securities	Other collaterals	CLN	Other derivatives				Public entities	Banks	Other financial entities		Other entities
Central counterparties	Banks	Other Financial entities						Other entities								
1. Secured balance-sheet exposures:	58,406,123	57,011,416	38,576,286	1,118,700	7,426,791	701,986	-	-	-	-	-	3,885,202	7,501	525,250	4,546,398	56,788,114
1.1 totally secured	2,265,643	1,204,014	783,231	71,680	2,105	16,485	-	-	-	-	-	231,338	-	8,743	87,016	1,200,598
- of which non performing	7,843,735	7,683,314	3,752	-	135,451	46,156	-	-	-	-	-	3,433,856	443	80,650	1,760,066	5,460,374
1.2 partially secured	332,929	207,955	55	-	3,822	334	-	-	-	-	-	125,242	-	3,729	19,577	152,759
- of which non performing	16,218,082	16,179,043	455,231	16,469	8,468,940	1,007,715	-	-	-	-	-	1,010,094	10,892	372,869	4,090,985	15,433,195
2. Secured off-balance sheet exposures:	14,016,461	13,983,788	455,231	16,469	8,458,934	151,178	-	-	-	-	-	614,791	10,892	352,167	3,753,206	13,812,868
2.1 totally secured	81,428	70,899	3,599	3,152	1,272	3,069	-	-	-	-	-	3,381	-	1,282	55,144	70,899
- of which non performing	2,201,621	2,195,255	-	-	10,006	856,537	-	-	-	-	-	395,303	-	20,702	337,779	1,620,327
2.2 partially secured	43,734	38,610	-	-	124	2,016	-	-	-	-	-	10,526	-	372	14,355	27,393
- of which non performing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

In addition to balance sheet exposures, the table shows the amount of off-balance sheet exposures to customers (including derivative contracts with customers) which are fully or partially secured.

As regards personal guarantees, the economic segments to which guarantors (credit commitments) and sellers of protection (credit derivatives) belong are identified by making reference to the classification criteria provided for by the Bank of Italy, Circular no. 140 of 11 February 1991 "Instructions for classifying customers". Exposures are classified as either "totally secured" or "partially secured" by comparing the gross exposure with the amount of the guarantee established in the contract; for that purpose, any supplemental guarantees are also considered.

The fair value of collaterals estimated as at the reporting date is shown in the columns "Collaterals" and "Personal guarantees"; if such information is not available, the contractual value is reported. Please note that both values may not be higher than the book value of secured exposures, in line with the 8th update to Bank of Italy Circular 262.

A.4 – Financial and non-financial assets obtained through enforcement of guarantees received

	Derecognised credit exposure	Gross Value	Total impairment (losses)	Book value	
					<i>of which: obtained during the year</i>
A. Property, plant and equipments	47,796	52,778	29,145	23,633	-
A.1. Used in the business	-	-	-	-	-
A.2. Held for investments	47,796	52,778	29,145	23,633	-
A.3. Inventories	-	-	-	-	-
B. Equity instruments and Debt securities	24,214	24,214	2,142	22,072	-
C. Other assets	-	-	-	-	-
D. Non current assets and group of assets held for sale	-	-	-	-	-
D.1. Property, plant and equipment	-	-	-	-	-
D.2. Other assets	-	-	-	-	-
Total 31 12 2025	72,010	76,992	31,287	45,705	-
Total 31 12 2024	72,861	77,963	22,904	55,059	3,882

The “Financial and non-financial assets obtained through enforcement of guarantees received” shown in the table above include assets:

- resulting from non-redemption of assets under leasing and from the termination of non-performing finance lease agreements;
- resulting from datio in solutum.

As at 31 December 2025, the Bank holds financial instruments with a book value of EUR 13.0 mln (EUR 24.2 mln as at 31 December 2024), classified predominantly in the accounting portfolio of “Financial assets mandatorily measured at *fair value*”, which represent financial assets not previously granted by the debtor as collateral for pre-existing Loans granted, but acquired as part of bilateral agreements with the same, as a result of which the Bank arranged for the derecognition of the related credit exposure.

B. Breakdown and concentration of credit exposures

B.1 - Breakdown of on- and off-balance-sheet exposures to banks by business segment

Exposures/counterparties	Public entities		Financial companies		Financial companies of which insurance companies		Non-financial companies		Families	
	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)
A. Balance sheet exposure										
A.1 Bad loans	18	15	3,598	1,012	-	-	288,331	502,279	109,904	160,050
- of which: forborne	-	-	125	181	-	-	55,259	91,440	28,521	43,472
A.2 Unlikely to pay	8,241	4,843	3,888	16,512	-	-	699,795	594,567	430,465	236,299
- of which: forborne	1,725	1,201	1,315	7,794	-	-	298,380	226,900	244,480	123,331
A.3 Past due non-performing	692	461	64	46	-	-	15,398	5,813	18,580	7,314
- of which: forborne	-	-	-	-	-	-	1,932	617	486	286
A.4 Performing exposures	16,304,876	7,224	10,668,416	4,782	90,992	-	33,335,480	347,422	35,306,388	152,853
- of which: forborne	19,722	386	20,186	661	-	-	459,419	28,245	285,697	13,679
Total A	16,313,827	12,543	10,675,966	22,352	90,992	-	34,339,004	1,450,081	35,865,337	556,516
B. Off balance sheet exposures										
B.1 non-performing exposures	-	-	501	180	-	-	439,047	104,792	8,801	581
B.2 Performing exposure	3,480,223	91	11,678,323	216	287,455	-	25,022,105	45,842	1,676,343	2,320
Total B	3,480,223	91	11,678,824	396	287,455	-	25,461,152	150,634	1,685,144	2,901
Total (A+B) 31 12 2025	19,794,050	12,634	22,354,790	22,748	378,447	-	59,800,156	1,600,715	37,550,481	559,417
Total (A+B) 31 12 2024	19,338,141	16,198	23,634,754	11,334	325,216	-	58,473,510	1,721,052	35,116,413	585,953

B.2 – Breakdown of on- and off-balance-sheet exposures to customers by geographic area

Exposures/Geographic Areas	ITALY		OTHERS EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)
A. Balance sheet exposure										
A.1 Bad loans	401,441	660,926	397	949	13	1,480	-	-	-	-
A.2 Unlikely to pay	1,138,173	842,177	3,506	9,262	342	227	368	533	-	21
A.3 Past due non performing	31,696	13,280	1,573	164	587	17	840	167	39	6
A.4 Performing exposures	91,539,352	510,610	2,468,037	1,063	726,980	289	243,677	149	637,114	171
Total A	93,110,662	2,026,993	2,473,513	11,438	727,922	2,013	244,885	849	637,153	198
B. Off balance sheet exposures										
B.1 Non performing exposures	448,011	105,553	-	-	-	-	338	-	-	-
B.2 Performing exposure	39,295,811	48,392	2,233,947	76	238,637	1	45,014	-	43,585	-
Total B	39,743,822	153,945	2,233,947	76	238,637	1	45,352	-	43,585	-
Total (A+B) 31 12 2025	132,854,484	2,180,938	4,707,460	11,514	966,559	2,014	290,237	849	680,738	198
Total (A+B) 31 12 2024	131,591,460	2,319,538	2,726,397	10,851	843,495	2,501	164,864	1,165	1,236,603	480

B.3 - Breakdown of on- and off-balance-sheet exposures to banks by geographic area (book values)

Exposures/Geographic Areas	ITALY		OTHERS EUROPEAN COUNTRIES		AMERICA		ASIA		REST OF THE WORLD	
	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)	Net exposure	Total impairment (losses)
A. Balance sheet exposure										
A.1 Bad loans	-	-	-	-	-	-	-	-	-	-
A.2 Unlikely to pay	-	-	416	744	4,826	8,782	-	-	-	-
A.3 Past due non performing	-	-	-	-	-	-	-	-	-	-
A.4 Performing exposures	16,955,424	260	1,631,147	280	55,531	7	106,586	22	234,854	37
Total A	16,955,424	260	1,631,563	1,024	60,357	8,789	106,586	22	234,854	37
B. Off balance sheet exposures										
B.1 Non performing exposures	-	-	-	-	-	-	-	-	-	-
B.2 Performing exposure	998,104	13	882,908	59	28,028	2	143,220	19	96,829	83
Total B	998,104	13	882,908	59	28,028	2	143,220	19	96,829	83
Total (A+B) 31 12 2025	17,953,528	273	2,514,471	1,083	88,385	8,791	249,806	41	331,683	120
Total (A+B) 31 12 2024	15,478,560	375	2,475,372	1,058	269,080	5,883	778,232	487	302,288	115

B.4 Large exposures

Item/Amount	31 12 2025	31 12 2024
a) Book value	111,479,861	110,206,514
b) Weighted value	366,897	2,951,123
c) Number	5	8

Regulations provide for positions to be defined as “large exposures” by making reference to credit-risk unweighted exposures. An exposure is deemed as a “large exposure” when its amount is equal to or greater than 10% of own funds.

With regard to “Book value”, there were no significant changes in the 2025 financial year compared to the 2024 financial year. The decrease in “Risk-weighted value” is attributable to major entities exiting the Large Exposures category, as a result of the increase in regulatory capital linked to the acquisition of the Mediobanca Group.

C. SECURITISATION TRANSACTIONS

Qualitative Information

For qualitative information, please refer to Part E of the Notes to the Consolidated Financial Statements.

Below are the characteristics of the Bank's securitisation transactions (including synthetic transactions) originated in previous financial years and outstanding as at 31 December 2025, the Securities of which have been partly placed on the market.

Synthetic securitisation transactions

As at 31 December 2025, two synthetic securitisation transactions carried out in July 2021 are outstanding, called "Siena 2021 – RegCap-1" and "Siena 2021 - RegCap-Specialized Lending" (inherited following the merger by absorption of MPS Capital Services Banca per le Imprese S.p.A.).

The main objective of a synthetic securitisation is to free up regulatory and economic capital by reducing the credit risk of the portfolio underlying the transaction (Significant Risk Transfer). In general, it is envisaged, through the stipulation of guarantee contracts, the purchase of protection of the credit risk underlying a loan portfolio, of which the Originator retains full ownership and the relative servicing management.

For further details, reference should be made to the Notes to the Consolidated Financial Statements - Part E - Section C "Securitisation transactions".

Own securitisations with derecognition of the underlying assets

Siena NPL 2018 Srl

In the course of 2017, on the basis of what is set forth in the Restructuring Plan and in line with the terms of the agreements entered into with Quaestio Capital Management SGR S.p.A., the Bank completed a transfer through securitisation of a portfolio of bad loans along with other Group companies.

The portfolio was sold on 20 December 2017 to the vehicle Siena NPL 2018 S.r.l., established for this purpose. The SPV financed the purchase of the portfolio through the issue of asset-backed securities with limited recourse of the Senior A1, Senior A2, Mezzanine and Junior class, centralized in dematerialized form at Monte Titoli S.p.A. and initially not listed on any regulated market in Italy and/or abroad.

On 9 January 2018, the transfer of 95% of the mezzanine notes to Quaestio Capital SGR on behalf of the Italian Recovery Fund (formerly Fondo Atlante II) was completed. In May 2018, at the end of the rating assignment process, the Senior Notes were restructured into a single class, obtaining an investment grade rating from the 3 rating agencies involved, as reported below. Consequently, the securities issued by the SPV were the following:

- (i) Senior A for EUR 2,918 mln, rating A3/BBB+/BBB (Moody's/Scope Ratings/DBRS). The outstanding amount as at 31 December 2025 was around EUR 696 mln. The rating as at 31 December 2025 was Ba1/BB-/BB(low) (Moody's/Scope Ratings/DBRS);
- (ii) Mezzanine B notes for EUR 848 mln, without rating and sold to the Italian Recovery Fund, for a share equal to 95% of the issue. The outstanding amount as at 31 December 2025, also due to the capitalisation of interest (payment-in-kind), was about EUR 910 mln;
- (iii) Junior for EUR 565 mln, without rating and transferred to the Italian Recovery Fund for a 95% share of the issue.

The transfer of 95% of the Mezzanine and Junior securities resulted in the deconsolidation of the entire securitised portfolio in June 2018. The remaining 5% of the Mezzanine and Junior notes was retained for the purpose of compliance with the "retention rule".

Lastly, in July 2018, the MEF granted, with a decree, the government guarantee (GACS) on the senior tranche of the securitisation. Obtainment of the GACS completed the entire securitisation process.

Quantitative Information

C.1 - Exposures arising from major own securitisation transactions broken down by type of securitised assets and type of exposure

Type of securitisation/Exposures	Balance sheet exposures						Guarantee issued						Lines of credit					
	Senior		Mezzanine		Junior		Senior		Mezzanine		Junior		Senior		Mezzanine		Junior	
	Book Value	Impairment loss/reversals	Book Value	Impairment loss/reversals	Book Value	Impairment loss/reversals	Book Value	Impairment loss/reversals	Book Value	Impairment loss/reversals	Book Value	Impairment loss/reversals	Book Value	Impairment loss/reversals	Book Value	Impairment loss/reversals	Book Value	Impairment loss/reversals
A. Fully derecognised	700,180	(312)	13,245	(15,166)	585	(3,443)	-	-	-	-	-	-	-	-	-	-	-	-
Credit non-performing	700,180	(312)	13,245	(15,166)	585	(3,443)	-	-	-	-	-	-	-	-	-	-	-	-
B. Partially derecognised	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
C. Not derecognised	317,400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SME mortgages	162,438	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
SME and Corporate mortgagees	154,963	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	1,017,581	(312)	13,245	(15,166)	585	(3,443)	-	-	-	-	-	-	-	-	-	-	-	-
of which non-performing	700,180	(312)	13,245	(15,166)	585	(3,443)	-	-	-	-	-	-	-	-	-	-	-	-
of which others	317,400	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

The table shows, with reference to securitisation transactions with own and third-party underlying assets, the on-balance sheet exposures, off-balance sheet exposures, as well as other forms of credit enhancement.

The table above shows, for synthetic securitisations, the amount of risk retained in transactions not derecognised from the Financial Statements.

C.2 - Exposures arising from major 'third-party' securitisation transactions broken down by type of securitised asset and type of exposure

Quality of underlying assets/exposures	Balance sheet exposures						Guarantee issued						Lines of credit					
	Senior		Mezzanine		Junior		Senior		Mezzanine		Junior		Senior		Mezzanine		Junior	
	Book Value	Impairment loss/reversals	Book Value	Impairment loss/reversals	Book Value	Impairment loss/reversals	Book Value	Impairment loss/reversals	Book Value	Impairment loss/reversals	Book Value	Impairment loss/reversals	Book Value	Impairment loss/reversals	Book Value	Impairment loss/reversals	Book Value	Impairment loss/reversals
Non-performing loans	4,232	(3,023)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial mortgages	2,810	41	3,192	332	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	7,042	(2,982)	3,192	332	-	-	-	-	-	-	-	-	-	-	-	-	-	-

The table provides the exposures taken by the Bank for each third-party securitisation transaction as well as reporting the contractual type of assets sold. The column "Write-downs/write-backs" indicates the amount of any write-downs or write-backs during the year as well as depreciations and revaluations posted to the income statement or directly to equity reserves, in the case of securities in the portfolio "Financial assets measured at fair value through other comprehensive income".

C.3 Special purpose securitisation vehicles

The Bank does not hold interests (direct or indirect investments) in special purpose vehicles involved in structuring securitisation transactions.

C.4 - Non-consolidated special purpose securitisation vehicles

The information referred to in this table is not provided in that the Bank prepares the consolidated financial statements.

C.5 - Servicer activities - own securitisations: collections of securitised loans and redemptions of securities issued by the special purpose securitisation vehicle

As at 31 December 2025, the Bank does not carry out *servicer* activities in its own securitisation transactions in which the assets sold have been derecognised from the financial statements pursuant to IFRS 9.

D. Information on structured entities not consolidated for accounting purposes (other than special purpose securitisation vehicles)

Qualitative Information

Quantitative Information

The information referred to in this section is not provided in that the Bank prepares the consolidated financial statements.

E. Sale transactions

A. Financial assets sold and not fully derecognised

Qualitative Information

As at 31 December 2025, the Bank had no outstanding multi-originator transfers of loan portfolios to mutual funds with allocation of the relevant units to the transferring intermediaries that did not result in the derecognition of the transferred loans in accordance with IFRS 9 ("derecognition"). It should also be noted that the transfers for which the Bank has not fully derecognised its loans refer exclusively to securitisation transactions, for the qualitative details of which reference should be made to "Section C - Securitisation Transactions" of this Part E of the Notes to the Financial Statements.

Quantitative Information

E.1 - Financial assets sold and fully recognised and associated financial liabilities: book values

	Financial assets fully recognised				Financial liabilities		
	Book value	of which: subject to securitization transactions	of which: subject to repurchase agreement	of which: non-performing	Book value	of which: subject to securitization transactions	of which: subject to repurchase agreement
Financial assets held for trading	1,671,093	-	1,671,093	X	1,674,150	-	1,674,150
Financial assets mandatorily measured at fair value	-	-	-	-	-	-	-
1. Debt securities	-	-	-	-	-	-	-
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
Financial assets designated at fair value	-	-	-	-	-	-	-
Financial assets measured at fair value through other comprehensive income	44,957	-	44,957	-	43,006	-	43,006
1. Debt securities	44,957	-	44,957	-	43,006	-	43,006
2. Equity instruments	-	-	-	X	-	-	-
3. Loans	-	-	-	-	-	-	-
Financial assets measured at amortised cost	3,076,133	-	3,076,133	-	2,763,091	-	2,763,091
1. Debt securities	3,076,133	-	3,076,133	-	2,763,091	-	2,763,091
2. Loans	-	-	-	-	-	-	-
Total as at 31 12 2025	4,792,183	-	4,792,183	-	4,480,247	-	4,480,247
Total as at 31 12 2024	5,629,696	-	5,629,696	-	5,219,753	-	5,219,753

E.2 - Financial assets sold and partially recognised and associated financial liabilities: book values

The table in question has not been completed as the Bank did not have any financial assets sold and partially recognised in either the current or previous financial year.

E.3 - Sales transactions relating to financial liabilities with repayment exclusively based on assets sold and not fully derecognised: fair value

This table is empty because in both the current and previous years, the Bank did not have any sales transactions relating to liabilities with repayment exclusively based on assets sold and not fully derecognised.

B. Financial assets sold and fully derecognised with assessment of continuing involvement**Qualitative Information****Quantitative Information**

The case in question is not present as at 31 December 2025.

C. Financial assets sold and fully derecognised**Qualitative Information**

Following are multi-originator transfers, regarding loan portfolios, to a mutual investment fund with the attribution of the related units to the transferring intermediaries. The transactions outlined below led to the derecognition of the receivables sold pursuant to IFRS 9 ("derecognition"), as the Bank did not substantially retain the risks and rewards of the transferred assets and also did not retain any substantial control over these assets, which were instead assumed by the fund management company (hereinafter also SGR). In particular, the risks and benefits that the Bank may achieve from the units held in exchange for the contribution of receivables are not anchored either in the *an*, nor in the *quantum*, nor in the timing, to events affecting the assigned receivables, given that the economic and financial dynamics related to individual receivables will not automatically and directly influence the returns of individual unit holders, which will instead depend on the general performance of the fund managed by the SGR. With a legal effective date of 29 May 2023, the Bank has acquired the shares held by the subsidiary MPSCS as a result of the merger transaction carried out during the year, while the Group's overall investment in the Fund remained unchanged.

Efesto Fund

In November 2020, jointly with the former subsidiary Capital Services, the Bank has finalised a multi-originator transfer of a portfolio of loans, classified as "unlikely to pay"; these are loans granted to industrial and service companies located in Italy and with a turnover of no less than EUR 20 mln in the last 3 years; these loans were sold to a Fund managed by Finanziaria Internazionale Investments S.G.R. S.p.A. The transaction has been settled by offsetting the credit on the Fund with the concurrent underwriting of freed-up units of the Fund itself.

As at the sale date, the portfolio consisted of loans claimed by the Bank and by other banking groups against 51 target companies *target* (for the Bank 9 debtors) for a total gross exposure of EUR 432.5 mln (EUR 66.7 mln for the Bank) at a total price of EUR 197.2 mln, of which EUR 31.1 mln related to the Bank. At the sale date, the net book value of the loans for the Bank was EUR 36.9 mln.

The loans sold are fully derecognised as the assets of the Bank as at 31 December 2020 and the fund units are recognized for a total of EUR 28.3 mln, equal to a 15.8% investment in the fund.

As at 31 December 2025, the Bank holds 2.8% of the Fund's units (3.0% as at 31 December 2024) for a book value of EUR 16.1 mln (EUR 21.5 mln as at 31 December 2024). The reduction in percentage ownership is mainly due to new contributions made to the Fund by unit-holders other than the Bank.

Back2Bonis Fund

On 27 December 2019, the Bank, in agreement with the former subsidiary Capital Services, UBI Banca and Banco BPM finalised with AMCO and the Prelios Group a transaction named Cuvée which has provided for the creation of a multi-originator platform to manage UTP (Unlikely to pay) loans, from EUR 3 mln to 30 mln, issued to companies of the real estate sector that are in a restructuring phase or in financial difficulties.

The first step of this transaction was completed in December 2019 when the positions of 46 debtors were transferred to the Fund (for the Bank, 4 debtors) for a total of about EUR 453 mln (of which EUR 56.7 mln for the Bank) at a price of about EUR 242 mln (EUR 21.5 mln for the Bank). As consideration for the sale, the transferring banks received units of the Fund, of which the Bank holds 8.9%. The loans sold have been fully derecognised from the assets of the Group as at 31 December 2019 and the units have been recognised for a total of EUR 16.3 mln.

As at 31 December 2025, the Bank holds approximately 4.0% of the Fund's units, unchanged from 31 December 2024, for a book value of EUR 23.9 mln (EUR 33.0 mln as at 31 December 2024).

Clessidra Fund

In September 2019, the Bank finalised a multi-originator transfer of a portfolio of loans classified as “unlikely to pay”, owed by industrial and service companies based in Italy and with a turnover not less than EUR 50 mln, to a Fund managed by Clessidra SGR S.p.A. The price settlement took place by offsetting the receivable owed by the Fund with the concurrent subscription of paid-up units of the Fund itself.

The Fund was established with the objective of improving the performance of the recovery of acquired loans thanks to the enhancement of the *target* companies through:

- inputs of a managerial nature, made possible through the substantial addition of the Fund to the net financial positions of the companies and to any conversion of the acquired loans into equity instrument of the same companies;
- contribution of financial resources aimed at improving the industrial and financial turnaround.

The Fund has issued four categories of units with different economic rights:

- units A reserved to the transferring banks;
- units B and C intended for two categories of institutional investors who contribute a “new finance”;
- units D reserved to the Fund management team.

At the date of sale, the portfolio consisted of receivables due to the Bank and the subsidiary MPS Capital Services S.p.A. and from other banking groups from 13 target companies *target* (for the MPS Group, 8 debtors) for a gross exposure totalling EUR 274 mln, of which EUR 91 mln relating to the Bank, at a total price of EUR 196 mln, of which EUR 69 mln relating to the Bank, for a percentage interest in the fund of 35.2%. At the sale date, the net book value of the loans for the Bank was EUR 63 mln.

As at 31 December 2025, the Bank holds 39.5% of the Fund's units (unchanged from 31 December 2024), with a book value of EUR 41.7 mln (EUR 58.5 mln as at 31 December 2024).

Idea I and Idea II Fund

In 2016 and 2017, the Bank carried out two multioriginator sale transactions concerning loan portfolios (with full derecognition from the balance sheet) to a mutual investment fund, with attribution of the related units to the transferor intermediaries. This refers to a project of Idea Capital Fund S.g.r., a management company that has established two multi-segment mutual investment funds called the Idea CCR I Fund (2016) and Idea CCR II Fund (2017).

With regard to the Idea CCR I fund, the Bank had contributed 7 positions to the fund for an aggregate total of EUR 16.9 mln out of an aggregate total of EUR 217 mln at a price of EUR 12.5 mln, receiving as consideration for the sale 5.7% of the shares of the Idea CCR II fund.

With regard to the Idea CCR II Fund, the Bank contributed 5 positions to the fund for a total of EUR 42.1 mln compared to a total of EUR 328.9 mln at a price of EUR 27.1 mln, receiving as consideration for the transfer 11.7% of the shares of the Idea CCR II Fund.

As at 31 December 2025, the Bank held 6.39% and 1.57% of the units of sub-fund A respectively of the Idea CCR I Fund and the Idea CCR II Fund (6.39% and 1.65% as at 31 December 2024). The book value of these shares was EUR 3.0 mln (unchanged from 31 December 2024) and EUR 9.4 mln (EUR 8.3 mln as at 31 December 2024), respectively. The reduction in percentage equity investment in Idea CCR II Fund is mainly due to new contributions made to the Fund by unit holders other than the Bank.

For more information on the criteria for determining the fair value of the units, please refer to Part A of these Notes to the Financial Statements.



E.4 - Covered bond transactions

Characteristics of the issuance programmes

The characteristics of the covered bond issuance programmes are shown in the corresponding section of the consolidated financial statements.

Accounting treatment

The accounting treatment is shown in the corresponding section of the consolidated financial statements.

Risks and Control Measures

The risks and control measures are shown in the corresponding section of the consolidated financial statements.

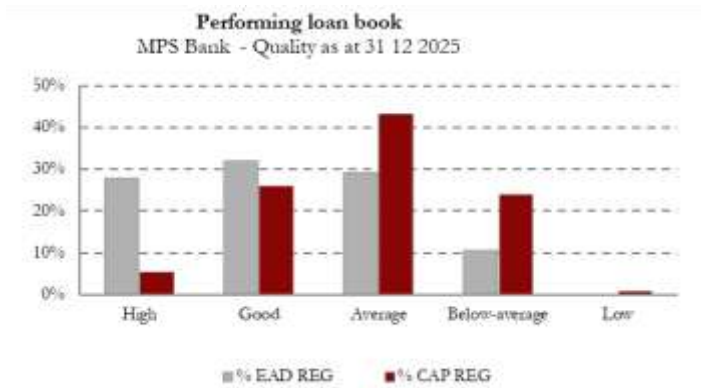
Description of individual issuances

The description of individual issuances is provided in the corresponding section of the consolidated financial statements.

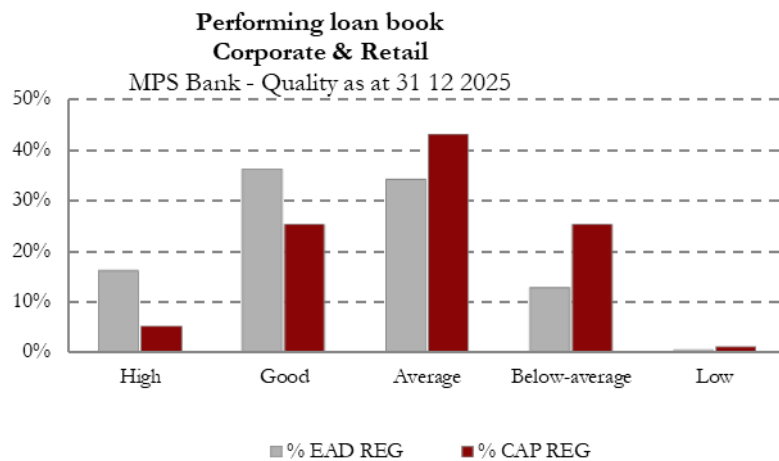
F. CREDIT RISK MEASUREMENT MODELS

This paragraph provides information of a quantitative nature related to the models for the measurement of credit risk, the qualitative characteristics of which have been described in Chapter 2 “Policies for credit risk management” of Section 2 “Prudential consolidation risk” of the Notes to the Consolidated Financial Statements.

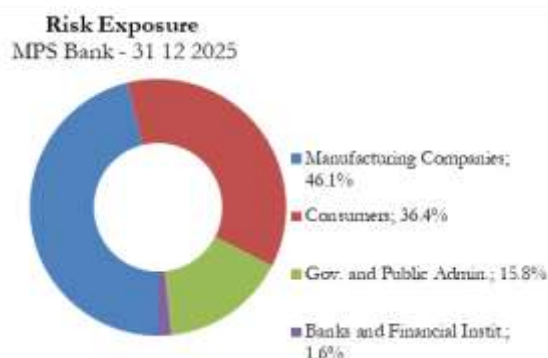
The chart below provides a breakdown of the credit quality of the Bank’s portfolio as at 31 December 2025 by Risk exposure (EAD REG) and Regulatory Capital (CAP REG). The following chart shows that about 60% (around 58.3% as at 31 December 2024) of risk exposures are granted to high- and good-quality customers (positions in financial assets are excluded). It should be noted that the ranking below also includes exposures to banks, government entities and non-regulated financial and banking institutions, not included in the IRB models. It should be noted that the quality is measured in terms of probability of default assigned to customers through the IRB models of the MPS Group. For non-IRB counterparties, a credit standing assessment is nevertheless assigned, using official ratings where available or appropriate internally determined values.



On the other hand, the following chart provides a breakdown of credit quality only for Corporate and Retail portfolios (which are largely validated by the Supervisory Authority for the use of internal PD and LGD models). It should be noted that as at 31 December 2025, exposures with high and good quality accounted for 52% of total exposures.



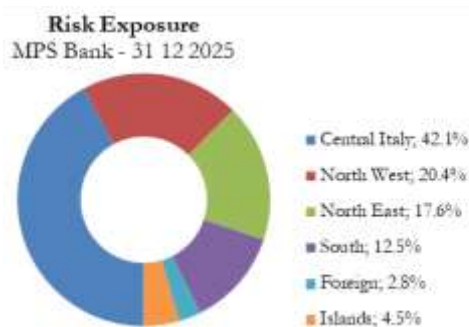
Analyses conducted at the end of 2025 show that Banca MPS risk exposure is mainly toward “Manufacturing Companies” (46.1% of total loans disbursed), “Households” (36.4%) and “Governments and Public Administration” (15.8%). The remaining portion refers to “Banks and Financial Institutions” (1.6%).



In terms of Regulatory Capital, it can be seen that the “Manufacturing Companies” customer segment absorbs 76.3%, while the “Households” segment accounts for a share of 18.8%.



An analysis of the geographical distribution of Banca MPS’s customers shows that risk exposures are mainly concentrated in the Central regions (42.1%); followed by the North West and North East (20.4% and 17.6% respectively), the South (12.5%), the Islands (4.5%) and Abroad with 2.8%.



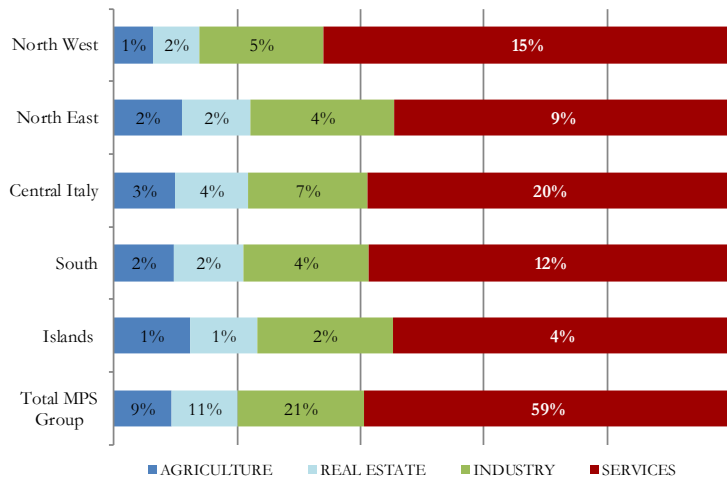
Regulatory Capital absorption is also explained by the composition of loans, which are more prevalent in Central Italy (29.2%), North West Italy (28.3%) and North East Italy (20.3%). These are followed by the South (13.5%), the Islands (4.6%) and Abroad (4.2%):



Lastly, the following graphs show, solely for Italian corporate customers, the percentage breakdown of Default Exposure by individual Geographic Area and Regulatory Capital absorption by Business Sector.

The largest share of Default Exposure for businesses in all Geographic Areas is accounted for by the “Services” sector. Out of the Bank’s total, this concentration amounts to 59%, followed by that of the Industry sector (21%), Building (11%) and finally Agriculture with 9%.

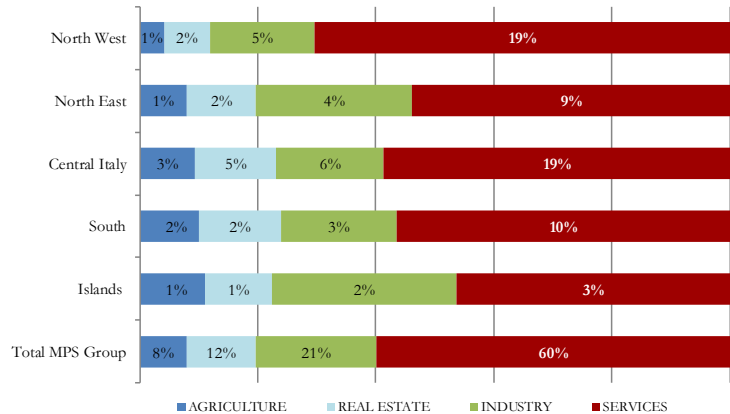
MPS Bank -Italian Corporate customers – performing loan book as at 31 12 2025
EAD REG by geography and business segment



1

Also as regards Regulatory Capital (CAP), the greater concentration relates to the Services sector in all Geographic Areas.

MPS Bank -Italian Corporate customers – performing loan book as at 31 12 2025
CAP REG by geography and business segment



Section 2 - Market Risks

2.1 Interest rate and price risk – Regulatory trading book

For general information on the management model of market risks concerning the Trading Book of the Bank, refer to Part E in the Notes to the Consolidated Financial Statements.

Excluding the positions arising from the acquisition of Mediobanca, the positions relating to the Group's Regulatory Trading Book are centralised in the Parent Company. The Bank's risk analyses are consistent with those illustrated in Part E of the Notes to the Consolidated Financial Statements, to which reference is made.

Qualitative Information

Qualitative information regarding the measurement of the interest rate and price risk of the Regulatory Trading Book are shown in Part E of the Notes to the Consolidated Financial Statements.

Quantitative Information

1. Regulatory trading book: breakdown of balance sheet financial assets/liabilities and financial derivatives by residual life (repricing date).

This table was not prepared since an analysis of the regulatory trading book's sensitivity to interest rate risk and price risk is produced based on internal models.

2. Regulatory trading book: breakdown of exposures in equity instruments and stock indices by major countries of the listing market

This table was not prepared since an analysis of the regulatory trading book's sensitivity to interest rate risk and price risk is produced based on internal models.

3. Regulatory trading book: internal models and other sensitivity analysis methods

Each business unit within the Bank operates independently on the basis of the objectives and powers it has been assigned. Positions are managed by the Chief Financial Officer (CFO) and Chief Commercial Officer Large Corporate & Investment Banking (LCIB) desks, each with its own operational limits. Each desk adopts an integrated risk management approach (covering more than rate risk, when allowed) in order to benefit from the natural hedge resulting from simultaneously holding positions on risk factors that are not perfectly correlated.

All positions related to the Trading Book are classified as FVTPL for accounting purposes, with changes in market value posted directly to profit and loss.

Excluding the positions arising from the acquisition of Mediobanca, the positions relating to the Group's Regulatory Trading Book are centralised in the Parent Company. The Bank's sensitivity analyses to risk factors are consistent with those illustrated in Part E of the Notes to the Consolidated Financial Statements, to which reference is made.

2.2 Interest rate and price risk - Banking Book

Qualitative Information

The qualitative information on the measurement of the interest rate and price risk of the Banking Book is provided in Part E of the Notes to the consolidated financial statements, to which reference is also made for information on the risk management processes and measurement and control methods.

Quantitative Information

1. Banking book: breakdown of financial assets and liabilities by residual life (repricing date)

This table has not been prepared since an analysis of the banking book's sensitivity to interest rate risk and price risk is produced based on internal models.

2. Banking book: internal models and other sensitivity analysis method

2.1 Interest rate risk

The amount of economic value at risk for a parallel shift of the rate curves of +100 bps stood at EUR -335.7 mln for the Bank at year end (EUR +189.5 mln for a shift of -100 bps).

2.2 Price risk

We provide below a scenario analysis which includes all directional positions assumed by the Parent Company in equity securities and UCITS, measured at fair value (e.g. securities classified as "Financial assets measured at fair value through other comprehensive income" and as "Financial assets mandatorily measured at fair value"):

■ Montepaschi Bank: Banking Book

EUR/mln

Risk Family Scenario		Effect on Net Banking Income and Economic result	Effect on Net Capital	Overall Effect
Equity	+1% Equity Prices (prices, indices)	2.33	1.75	4.08
Equity	-1% Equity Prices (prices, indices)	(2.33)	(1.75)	(4.08)
Equity	+1% Equity Prices (prices, indices)	0	0	0

The equity investment in the Bank of Italy represents approximately 79% of the effect on the Shareholders' Equity relating to the scenario analysis described above.



2.3 Foreign exchange risk

Qualitative Information

Qualitative information, including the hedging of exchange rate risk, is shown in Part E of the Notes to the Consolidated Financial Statements.

B. Hedging of exchange rate risk

Quantitative Information

1. Breakdown by currency of assets, liabilities and derivatives

31.12.2025

Items	Currencies					
	US dollar	Pound sterling	Yen	Canadian Dollar	Swiss Franc	Other currencies
A. Financial assets	1,508,916	8,172	6,252	3,294	8,720	34,756
A.1 Debt securities	603,609	117	-	-	-	-
A.2 Equity securities	64,550	371	36	26	50	673
A.3 Loans to banks	159,163	5,233	2,114	1,493	1,465	27,054
A.4 Loans to customers	681,594	2,451	4,102	1,775	7,205	7,030
A.5 Other financial assets	-	-	-	-	-	-
B. Other assets	39,139	822	322	273	1,240	1,331
C. Financial liabilities	922,914	33,687	26,936	3,495	4,485	12,159
C.1 Deposits from banks	267,481	2,443	58	461	271	231
C.2 Customer accounts	655,433	31,244	26,878	3,034	4,214	11,928
C.3 Debt securities	-	-	-	-	-	-
C.4 Other financial liabilities	-	-	-	-	-	-
D. Other liabilities	19,351	235	47	62	62	8,927
E. Financial derivatives						159,423
- Options						52,135
+ Long positions	231,959	10,400	922	-	-	12,912
+ Short positions	137,416	-	13,310	-	-	39,223
- Other						107,288
+ Long positions	1,223,029	39,594	37,222	1,594	11,579	65,791
+ Short positions	1,822,990	23,171	5,414	403	16,817	41,497
Total assets	3,003,043	58,988	44,718	5,161	21,539	114,791
Total liabilities	2,902,671	57,093	45,707	3,960	21,364	101,805
Difference (+/-)	100,372	1,895	(989)	1,201	175	12,986

2. Internal models and other sensitivity analysis methods

For general information on the management model of foreign exchange risks, refer to Part E in the Notes to the Consolidated Financial Statements.

The following scenarios were used for foreign exchange rate simulations:

+1% for all foreign exchange rates to the Euro,

-1% for all foreign exchange rates to the Euro;

+1 point for all volatility surfaces of all foreign exchange rates.

The impact on operation margin and on net profit (loss) for the year was estimated taking account of positions classified as “Financial assets held for trading” and “Financial assets mandatorily measured at fair value”; market value changes are recognised directly in the income statement. Instead, the effect on equity is estimated with reference to all positions classified as “Financial assets measured at fair value through other comprehensive income” and related fair value hedges (FVH). The total effect is the result of the algebraic sum of the two components. Below is a summary of the scenario analyses.

■ Montepaschi Bank

EUR/mln

Risk Family	Scenario	Effect on Net	Effect on Net capital	Overall Effect
		Banking Income and Economic Result Effect		
Forex	+1% FX against EUR	0.47	(0.40)	0.07
Forex	-1% FX against EUR	(0.47)	0.4	(0.07)
Forex	+1 point Forex Volatility	0.22	0.00	0.22

Section 3 - Derivatives and hedging policies

3.1 Derivatives for trading

A. Financial derivatives

A.1 Financial derivatives for trading: end of period notional amounts

Underlying asset/Type of derivative	Total 31 12 2025				Total 31 12 2024			
	Over the counter			Organised financial markets	Over the counter			Organised financial markets
	Central counterparties	No Central counterparties			Central counterparties	No Central counterparties		
		Contracts subject to Master netting agreements	Contracts not subject to Master netting agreements			Contracts subject to Master netting agreements	Contracts not subject to Master netting agreements	
1. Debt securities and interest rate	-	277,359,286	5,237,812	-	-	255,858,937	4,441,652	-
a) Options	-	5,529,509	1,036,723	-	-	6,002,399	1,120,497	-
b) Swaps	-	271,129,764	3,408,031	-	-	249,675,075	3,052,979	-
c) Forward	-	-	793,058	-	-	-	268,176	-
d) Futures	-	700,013	-	-	-	181,463	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity securities and stock indices	-	4,448,183	152,936	-	-	3,438,909	3,640	26,302
a) Options	-	2,858,721	152,936	-	-	1,990,874	3,640	26,302
b) Swaps	-	1,500,164	-	-	-	1,343,460	-	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	89,298	-	-	-	104,575	-	-
e) Other	-	-	-	-	-	-	-	-
3. Exchange rates and gold	-	670,453	2,033,086	-	-	257,374	1,743,620	-
a) Options	-	302,975	860,342	-	-	182,477	526,333	-
b) Swaps	-	-	-	-	-	-	-	-
c) Forward	-	367,478	1,172,744	-	-	74,897	1,217,287	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	-	112,394	145,377	-	-	76,378	189,858	-
5.Other underlying	-	-	-	-	-	-	-	-
Total	-	282,590,316	7,569,211	-	-	259,631,598	6,378,770	26,302

A.2 Financial derivatives for trading: gross positive and negative fair value - breakdown by products

Underlying asset/Type of derivative	Total 31 12 2025				Total 31 12 2024			
	Over the counter			Organised financial markets	Over the counter			Organised financial markets
	Central counterparties	No Central counterparties			Central counterparties	No Central counterparties		
		Contracts subject to Master netting agreements	Contracts not subject to Master netting agreements			Contracts subject to Master netting agreements	Contracts not subject to Master netting agreements	
1. Positive Fair value	-	-	-	-	-	-	-	-
a) Options	-	159,846	18,582	-	-	174,794	10,528	206
b) Interest rate swap	-	7,954,800	21,465	-	-	7,601,893	32,113	-
c) Cross currency swap	-	-	-	-	-	-	-	-
d) Equity swap	-	34,817	-	-	-	42,543	-	-
e) Forward	-	845	12,375	-	-	1,569	26,975	-
f) Futures	-	7,387	-	-	-	545	-	-
g) Other	-	-	11,333	-	-	-	23,044	-
Total	-	8,157,695	63,755	-	-	7,821,344	92,660	206
2. Negative fair value	-	-	-	-	-	-	-	-
a) Options	-	280,151	23,064	-	-	133,687	29,652	358
b) Interest rate swap	-	6,257,103	38,135	-	-	6,180,420	56,154	-
c) Cross currency swap	-	-	-	-	-	-	-	-
d) Equity swap	-	14,193	-	-	-	8,090	-	-
e) Forward	-	3,360	8,675	-	-	787	18,264	-
f) Futures	-	2,630	-	-	-	1,712	-	-
g) Other	-	881	14,318	-	-	-	7,835	-
Total	-	6,558,318	84,192	-	-	6,324,696	111,905	358

A.3 Financial OTC derivatives for trading: notional amounts, gross positive and negative fair value by counterparties

Underlying assets	Central Counterparties	Banks	Other Financial Companies	Other entities
Contracts not subject to master netting agreements				
1) Debt securities and interest rates				
- notional value	X	310,363	705,049	4,222,400
- positive fair value	X	232	1,907	22,793
- negative fair value	X	5,899	2,983	47,097
2) Equity securities and stock indices				
- notional value	X	-	152,514	422
- positive fair value	X	-	5,977	3
- negative fair value	X	-	159	-
3) Exchange rates and gold				
- notional value	X	211,907	97,197	1,723,982
- positive fair value	X	747	598	20,873
- negative fair value	X	2,993	150	13,373
4) Commodities				
- notional value	X	-	-	145,377
- positive fair value	X	-	-	10,625
- negative fair value	X	-	-	11,538
5) Other underlying				
Contracts subject to master netting agreements				
1) Debt securities and interest rates				
- notional value	-	74,657,808	200,981,876	1,719,602
- positive fair value	-	2,017,017	5,963,432	2,463
- negative fair value	-	1,610,207	4,564,955	161,535
2) Equity securities and stock indices				
- notional value	-	958,818	3,489,365	-
- positive fair value	-	30,209	136,238	-
- negative fair value	-	40,920	167,610	-
3) Exchange rates and gold				
- notional value	-	563,015	39,791	67,647
- positive fair value	-	777	64	108
- negative fair value	-	7,414	533	1,633
4) Commodities				
- notional value	-	-	106,088	6,306
- positive fair value	-	-	7,387	-
- negative fair value	-	-	2,630	881
5) Other underlying				

A.4 Residual life of financial OTC derivatives for trading: notional amounts

Underlying asset/residual life	Up to 1 year	1 to 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	78,735,013	101,901,842	101,960,243	282,597,098
A.2 Financial derivatives on equity securities and stock indices	3,263,061	1,217,653	120,405	4,601,119
A.3 Financial derivatives on exchange rates and gold	2,579,443	118,966	5,130	2,703,539
A.4 Financial derivatives on other underlying assets	239,404	18,367	-	257,771
A.5 Other financial derivatives	-	-	-	-
Total 31 12 2025	84,816,921	103,256,828	102,085,778	290,159,527
Total 31 12 2024	83,701,989	90,215,651	92,092,728	266,010,368

B. Credit derivatives*B.1 Credit derivatives for trading: end of period notional amounts*

Transaction categories	Regulatory trading book	
	single name	with multiple counterparties (basket)
1. Purchases of protection		
a) Credit default products	128,298	158,000
b) Credit spread products	-	-
c) Total rate of return swap	504,012	-
d) Others	-	-
Total 31 12 2025	632,310	158,000
Total 31 12 2024	136,539	50,200
2. Sales of protection		
a) Credit default products	1,228,253	158,000
b) Credit spread products	-	-
c) Total rate of return swap	340,000	-
d) Others	-	-
Total 31 12 2025	1,568,253	158,000
Total 31 12 2024	1,555,724	59,500

B.2 Credit derivatives for trading: gross positive and negative fair value - breakdown by products

Portfolios/Types of derivatives	Total 31 12 2025	Total 31 12 2024
A. Positive fair value	-	-
a) Credit default products	4,818	777
b) Credit spread products	-	-
c) Total rate of return swap	2,251	-
d) Other	-	-
Total	7,069	777
B. Negative fair value	-	-
a) Credit default products	24,807	92,797
b) Credit spread products	-	-
c) Total rate of return swap	311,188	-
d) Other	-	-
Total	335,995	92,797

B.3. OTC credit derivatives for trading: notional amounts, gross fair value (positive and negative) by counterparties

Underlying assets	Central counterparties	Banks	Other financial companies	Other entities
Contracts not subject to master netting agreements				
1) Purchase of protection				
2) Sales of protection				
Contracts subject to master netting agreements				
1) Purchase of protection				
- notional value	-	39,043	751,267	-
- positive fair value	-	474	912	-
- negative fair value	-	445	321,496	-
2) Sales of protection				
- notional value	-	340,000	1,386,253	-
- positive fair value	-	1,339	4,345	-
- negative fair value	-	190	13,864	-

B.4 Residual life of OTC credit derivatives for trading: notional amounts

Underlying asset/residual life	Up to 1 year	1 to 5 years	Over 5 years	Total
1. Sales of protection	397,511	1,114,852	213,890	1,726,253
2. Purchase of protection	12,766	587,813	189,731	790,310
Total 31 12 2025	410,277	1,702,665	403,621	2,516,563
Total 31 12 2024	5,099	877,331	1,019,405	1,901,835

B.5 Credit derivatives related to the fair value option: annual changes

This table was not drawn up as the Bank does not apply the hedge accounting rules pursuant to IFRS 9.

1.3.2 Hedges

Qualitative Information

The Bank, in applying IFRS 9, has exercised the option provided by the standard to continue to fully apply the rules of IAS 39 for all types of hedging (micro and macro). Therefore, the provisions of IFRS 9 in terms of hedging do not apply.

A. Fair value hedging

The purpose of interest rate risk hedging is to protect the banking book from changes in the fair value of deposits and loans caused by movements in the interest rate curve or to reduce the variability of cash flows linked to a particular asset/liability.

The risk predominantly hedged is interest rate risk with fair value hedge transactions, for a total of approximately EUR 25.1 billion in nominal value of hedging derivatives.

The Bank uses the following hedges to manage interest rate risk:

- fair value micro hedges: hedges of the securities portfolio and bond funding;
- fair value macro hedges: hedging of non-trading assets (Loans/mortgages). The macro fair value hedges on commercial funding (time deposits) that were in the portfolio in the previous financial year were terminated in 2025 and not renewed.

The fair value hedges at Bank level concern both specific hedges of assets and liabilities, identified in detail and represented by government securities in the banking book and by bonds issued by the Parent Company, as well as generic hedges (macro hedge – version with bottom layer approach) of fixed-rate loans.

The derivatives used for these purposes are mainly interest rate swaps (IRS) and interest rate options entered into with third-party counterparties.

Derivatives are not listed in regulated markets, but are traded within the scope of OTC circuits. OTC agreements also include those brokered through Clearing Houses.

B. Cash-flow hedging

Hedging activities carried out by the Bank aim at covering exposure to fluctuations in future cash flows, attributable to changes in the interest rate curve, associated with a specific asset/liability, as payments of future floating interests on a payable/receivable or to a highly probable future transaction. The Bank adopts only specific hedges (micro cash flow hedge) of floating interest securities.

Hedging derivatives for cash flow hedge transactions, mainly represented by interest rate swaps (IRS), amount to approximately EUR 2.3 bn in nominal value.

C. Hedging of foreign investments

The Bank does not have any such hedging in place.

D. Hedging instruments

The main causes of ineffectiveness of the model adopted by the Bank for verifying the effectiveness of hedges are attributable to the following phenomena:

- mismatch between notional amount of the derivative and the underlying hedged item recognised at the time of initial designation or generated subsequently, such as in the case of partial repayments of loans or repurchases of bonds;
- inclusion in the effectiveness test of the value of the variable interest rate cash flows of the hedging derivative, assuming a fair value hedge.

The ineffectiveness of the cover is promptly detected for the purposes: (i) the determination of the effect on the income statement; and (ii) the assessment as to whether hedge accounting rules can continue to be applied.

The Bank does not use dynamic hedges, as defined in IFRS 7, paragraph 23C.

E. Hedged items

The main types of items hedged by the Bank are:

- debt securities under assets;
- debt securities issued;
- fixed-rate commercial loans;
- optional component implicit in variable-rate mortgages.

E.1 Debt securities under assets

Hedging relationships of such assets are mainly of the micro fair value hedge type; derivatives used for this purpose are mainly IRS and the hedged risk is the interest rate risk.

The Dollar Offset Method is used to verify the efficacy of the hedge. This method is based on the relationship between the cumulated changes (from the beginning of the hedging) in the fair value of the hedging instrument, attributable to the hedged risk, and the past changes in the fair value of the hedged item.

E.2 Debt securities issued

These are securities covered by hedges in the fair value micro hedge category; derivatives used as hedging instruments are primarily IRS. The hedged risk is the interest rate risk.

The Dollar Offset Method is used to verify the efficacy of the hedge. This method is based on the relationship between the cumulated changes (from the beginning of the hedging) in the fair value of the hedging instrument, attributable to the hedged risk, and the past changes in the fair value of the hedged item.

E.3 Fixed-rate commercial loans

In these cases, the hedging relationships in place are of a macro fair value hedge type and the derivatives used as hedging instruments are primarily IRS. The hedged risk is the interest rate risk.

The effectiveness of the macro hedging on fixed-rate loans is verified through specific forward- and backward-looking tests aimed at demonstrating that the hedged portfolio contains an amount of assets for which the sensitivity profile and the changes in the fair value for the interest rate risk can be said to match those of the hedging derivatives. It should be noted that for the purpose of the forward- and backward-looking tests, the hedged portfolio takes into account the prepayment estimates, determined on the basis of the model used from time to time to manage interest rate risk.

E.4 Optional component implicit in the floating-rate mortgage loans

The optional components implicit in mortgage loans with floating interest rate are hedged with a fair value macro hedge using, as hedging instruments, cap/floor derivatives.

The effectiveness of the hedging is verified by using the resilience of the capacity test.

Other information

Following, as required in IFRS 7.24H, is the table containing details, by nominal amounts, of the hedging according to the reference index of the interest rates.

Interest rate	ASSETS			LIABILITIES		Total
	Nominal Hedging			Nominal Hedging		
	Micro - FVH	Macro - FVH	Micro - CHF	Micro - FVH	Macro - FVH	
EURIBOR 1M		1,268,372				1,268,372
EURIBOR 3M		1,841,594		750,000		2,591,594
EURIBOR 6M	2,318,423	6,152,678	995,000	1,250,000		10,716,101
USD 3M LIBOR FALLBACK SOFR	329,362					329,362
USD SOFR	42,553					42,553
EURIBOR 30Y CMS	80,097					80,097
ESTR	199,000					199,000
ESTR EUREX		1,850,000		1,050,000		2,900,000
EUR1M EUREX		117,000				117,000
EUR3M EUREX		750,000				750,000
EUR6M EUREX		4,626,375	1,342,000	2,500,000		8,468,375
Total	2,969,435	16,606,019	2,337,000	5,550,000		27,462,454

The table shows the notional amounts (EUR/thousands) of hedging derivatives gross of the netting carried out pursuant to IAS 32.

As explained in Part A - Accounting Policies, the Bank has applied, as of the 2019 Financial Statements, Regulation No. 34/2020 of 15 January 2020, which adopted the document issued by the IASB in September 2019 on the “Reform of Interest Rate Benchmarks (Amendments to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: recognition and measurement” and IFRS 7 “Financial instruments: supplementary information”). With the regulation in question, a number of changes were introduced in the area of hedge accounting with the aim of avoiding that uncertainties about the amount and timing of cash flows resulting from the rate reform could lead to the discontinuation of existing hedges and difficulties in designating new hedging relationships.

The Bank’s hedging derivatives are mainly indexed to Euribor, the calculation methodology of which was revised during 2019 through the adoption of a hybrid-type calculation methodology, which fully complies with the requirements for so-called critical benchmarks, as set out by the EU Benchmark Regulation 2016/1011 and the IOSCO principles. Therefore, the Bank does not consider there to be any uncertainty about the timing or amount of cash flows parameterised to Euribor and does not consider Euribor-linked hedges to be impacted by the reform, in continuity with the approach already adopted in previous years.

As at 31 December 2025, there were no hedges indexed to rates impacted by the IBOR Reform, pursuant to paragraph 24H of IFRS 7.

Quantitative Information

A. Financial hedging derivatives

A.1 Financial hedging derivatives: end of period notional amounts

Underlying asset/Type of derivative	Total 31 12 2025				Total 31 12 2024			
	Over the counter			Organise d financial markets	Over the counter			Organised financial markets
	Central counterpartie s	No Central counterparties			Central counterpartie s	No Central counterparties		
		Contracts subject to master netting agreement s	Contracts not subject to master netting agreement s			Contracts subject to master netting agreement s	Contracts not subject to master netting agreement s	
1. Debt securities and interest rate	-	29,114,953	-	-	-	20,959,292	-	-
a) Options	-	2,261,585	-	-	-	2,969,649	-	-
b) Swaps	-	26,853,368	-	-	-	17,989,643	-	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
2. Equity securities and stock indices	-	-	-	-	-	-	-	-
3. Exchange rates and gold	-	329,362	-	-	-	372,509	-	-
a) Options	-	-	-	-	-	-	-	-
b) Swaps	-	329,362	-	-	-	372,509	-	-
c) Forward	-	-	-	-	-	-	-	-
d) Futures	-	-	-	-	-	-	-	-
e) Other	-	-	-	-	-	-	-	-
4. Commodities	-	-	-	-	-	-	-	-
5.Other underlying	-	-	-	-	-	-	-	-
Total	-	29,444,315	-	-	-	21,331,801	-	-

A.2 Financial hedging derivatives: gross positive and negative fair value - breakdown by products

Underlying asset/Type of derivative	Total 31 12 2025				Total 31 12 2024			
	Over the counter			Organised financial markets	Over the counter			Organised financial markets
	Central counterparties	No Central counterparties			Central counterparties	No Central counterparties		
		Contracts subject to master netting agreements	Contracts not subject to master netting agreement s			Contracts subject to master netting agreement s	Contracts not subject to master netting agreement s	
1. Positive fair value	-	-	-	-	-	-	-	-
a) Options	-	9,715	-	-	-	8,130	-	-
b) Interest rate swap	-	804,133	-	-	-	432,072	-	-
c) Cross currency swap	-	-	-	-	-	-	-	-
d) Equity swap	-	-	-	-	-	-	-	-
e) Forward	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-
g) others	-	-	-	-	-	-	-	-
Total	-	813,848	-	-	-	440,202	-	-
2. Negative fair value	-	-	-	-	-	-	-	-
a) Options	-	24,464	-	-	-	32,533	-	-
b) Interest rate swap	-	260,135	-	-	-	648,952	-	-
c) Cross currency swap	-	25,524	-	-	-	74,352	-	-
d) Equity swap	-	-	-	-	-	-	-	-
e) Forward	-	-	-	-	-	-	-	-
f) Futures	-	-	-	-	-	-	-	-
g) Others	-	-	-	-	-	-	-	-
Total	-	310,123	-	-	-	755,837	-	-

A.3 Financial OTC hedging derivatives: notional amounts, gross positive and negative fair value by counterparties

Contracts not subject to netting agreements	Central counterparties	Banks	Other financial companies	Other entities
Contracts not subject to master netting agreements				
1) Debt securities and interest rates				
- notional value	X	-	-	-
- positive fair value	X	-	-	-
- negative fair value	X	-	-	-
2) Equity securities and stock indices				
3) Exchange rates and gold				
4) Commodities				
5) Other underlying				
Contracts subject to master netting agreements				
1) Debt securities and interest rates				
- notional value	-	25,131,878	3,983,075	-
- positive fair value	-	771,149	42,699	-
- negative fair value	-	222,159	62,440	-
2) Equity securities and stock indices				
3) Exchange rates and gold				
- notional value	-	329,362	-	-
- positive fair value	-	-	-	-
- negative fair value	-	25,524	-	-
4) Commodities				
5) Other underlying				

A.4 Residual life of financial OTC hedging derivatives: notional amounts

Underlying asset/residual life	Up to 1 year	1 to 5 years	Over 5 years	Total
A.1 Financial derivatives on debt securities and interest rates	3,547,593	8,325,163	17,242,197	29,114,953
A.2 Financial derivatives on equity securities and stock indices	-	-	-	-
A.3 Financial derivatives on exchange rates and gold	329,362	-	-	329,362
A.4 Financial derivatives on other underlying assets	-	-	-	-
A.5 Other financial derivatives	-	-	-	-
Total 31 12 2025	3,876,955	8,325,163	17,242,197	29,444,315
Total 31 12 2024	820,997	7,662,523	12,848,280	21,331,800

B. Credit hedging derivatives

B.1 Credit hedging derivatives: end of period notional amounts

The tables for this section were not completed since the Bank has no credit hedging derivatives for either the current or previous financial year.

B.2 Credit hedging derivatives: gross positive and negative fair value - breakdown by products

The tables for this section were not completed since the Bank has no credit hedging derivatives for either the current or previous financial year.

B.3 OTC credit hedging derivatives: notional amounts, gross positive and negative fair value by counterparties

The tables for this section were not completed since the Bank has no credit hedging derivatives for either the current or previous financial year.

B.4 Residual life of OTC credit hedging derivatives: notional amounts

The tables for this section were not completed since the Bank has no credit hedging derivatives for either the current or previous financial year.

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C. Non-derivative hedging instruments

C.1 Hedging instruments other than derivatives: breakdown by accounting portfolio and type of hedge

The Bank avails itself of the possibility, envisaged upon the introduction of IFRS 9, to continue to apply all hedge accounting provisions of IAS 39 (carved out version endorsed by the European Commission) for all types of hedge (both micro and macro hedges). For this reason, the Bank has no financial instruments in its portfolio which would be reported in the table.

D. Hedged instruments

D.1 Fair value hedging

	Micro hedge: book value	Micro-hedges - net positions: balance sheet value of assets or liabilities (before netting	Micro hedge			Macro hedge: book value
			Cumulative changes in fair value of the hedged instrument	termination of hedge: residual cumulative changes in fair value	Change in value used to recognise the ineffectiveness of the hedge	
A. Assets						
1. Financial assets measured at fair value through other comprehensive income– hedge of	38,346	-	(5,317)	(27,801)	(4,724)	
1.1 debt securities and interest rate	38,346	-	(5,317)	(27,801)	(4,724)	X
1.2 Equity	-	-	-	-	-	X
1.3 Foreign exchange and gold	-	-	-	-	-	X
1.4 Loans	-	-	-	-	-	X
1.5 Others	-	-	-	-	-	X
2. Financial assets measured at amortised cost –hedge of:	2,879,937	-	57,325	(330,100)	(157,732)	15,880,924
1.1 debt securities and interest rate	2,549,538	-	52,353	(330,100)	(150,783)	X
1.2 Equity		-	-	-	-	X
1.3 Foreign exchange and gold	330,399	-	4,971		(6,949)	X
1.4 Loans						X
1.5 Others						X
Total 31 12 2025	2,918,284	-	52,008	(357,901)	(162,456)	15,880,924
Total 31 12 2024	4,371,547	-	196,364	(354,814)	14,902	9,173,675
B. Liabilities						
2. Financial liabilities measured at amortised cost –hedge of:	5,663,069	-	(622)	(2,168)	(37,248)	
1.1 debt securities and interest rate	5,663,069	-	(622)	(2,168)	(37,248)	X
1.2 Foreign exchange and gold						X
1.3 Others						X
Total 31 12 2025	5,663,069	-	(622)	(2,168)	(37,248)	-
Total 31 12 2024	4,824,626	-	(20,223)	(33,951)	88,025	108,007

D.2 Cash-flow and foreign investment hedging

	Change in value used to recognise hedging ineffectiveness Hedging of foreign investments	Hedging reserves	Termination of hedging: residual value of hedging reserve
A. Cash flow hedge			
1. Assets			
1.1 debt securities and interest rate	(10,661)	18,155	20,075
1.2 Equity			
1.3 Foreign exchange and gold			
1.4 Loans			
1.5 Others			
2. liabilities			
1.1 debt securities and interest rate			
1.2 Foreign exchange and gold			
1.3 Others			
Total A 31 12 2025	- 10,661	18,155	20,075
Total A 31 12 2024	16,910	36,212	16,919
B. Hedging of foreign investments X			
Total (A+B) 31 12 2025	- 10,661	18,155	20,075
Total (A+B) 31 12 2024	16,910	36,212	16,919

E. Effects of hedging transactions on equityE.1. Reconciliation of equity items

	Cash flow hedges reserve					Reserve from hedging foreign investments				
	Debt securities and interest rates	Equity instruments and stock index	Currencies and gold	Credits	Others	Debt securities and interest rates	Equity instruments and stock index	Currencies and gold	Credits	Others
Opening balance	36,212	-	-	-	-					
Fair value changes	(10,661)	-	-	-	-					
Reversal to profit and loss	-	-	-	-	-					
- of which: future transactions not expected	-	-	-	-	-	X	X	X	X	X
Others changes	(7,396)	-	-	-	-					
- of which: transfers at initial book value of hedged instruments		-	-	-	-	X	X	X	X	X
Closing balance	18,155	-	-	-	-	-	-	-	-	-

3.3 Other information on derivatives (trading and hedging)

A. Financial and credit derivatives

A.1 OTC Financial and credit derivatives: net fair values by counterparties

The table shows the positive or negative fair values of the derivatives subject to offsetting pursuant to IAS 32.42.

Underlying assets	Central counterparties	Banks	Other financial companies	Other entities
A. Financial derivatives				
1. Debt securities and interest rates				
- notional value	-	88,994,506	186,223,869	-
- positive fair value	-	914,301	1,036,499	-
- negative fair value	-	-	-	-
2. Equity securities and stock indices				
3. Exchange rates and gold				
4) Commodities				
4. Other underlying				
- notional value	-	-	1,702,634	-
- positive fair value	-	-	1,302	-
- negative fair value	-	-	-	-
B. Credit derivatives				
1. Purchase of protection				
- notional value	-	-	335,255	-
- positive fair value	-	-	-	-
- negative fair value	-	-	459	-
2. Sales of protection				

The table shows the positive or negative *fair values* of the derivatives subject to offsetting pursuant to IAS 32.42.

In particular, the above refers to financial and credit derivatives Over the counter (OTC) for trading and hedging outstanding with third-party Clearing Members, with whom the Bank has entered into specific Clearing Agreement, drawn up in accordance with international standard (contractual models prepared by ISDA/FIA), for which offsetting of fair value has been carried out in the financial statements.

For OTC financial derivatives on “Debt securities and interest rates”, the netting result is overall positive at EUR 1,950.8 mln, broken down between banking counterparties and other financial companies (positive fair value of EUR 7,545.0 mln and negative fair value of EUR 5,594.2 mln), allocated for EUR 1,371.8 mln to hedging derivatives and EUR 579.0 mln to trading derivatives. It should also be noted that OTC financial derivatives, under the sub-item “Other”, recorded a net positive result from offsetting of EUR 1.3 mln (negative fair value of EUR 17.7 mln and positive fair value of EUR 19 mln), entirely allocated to derivatives for trading.

Section 4 - Liquidity risk

Qualitative Information

A. Liquidity risk: general aspects, operational processes and measurement methods

The qualitative information on the management and measurement of the liquidity risk is shown in Part E of the Notes to the Consolidated Financial Statements.

Quantitative Information

1. Breakdown of financial assets and liabilities by residual contractual duration - Currency: Euro

31 12 2025

Account	On demand	1 to 7 days	7 to 15 days	15 days to 1 month	1 to 3 month	3 to 6 month	6 month to 1 year	1 to 5 years	over 5 years	Unspecified maturity
Balance sheet assets	23,159,653	3,449,012	1,770,162	3,370,956	5,701,093	7,062,323	6,728,220	24,457,383	42,052,605	587,795
A.1 Government securities	-	3,539	244,372	76,323	329,948	791,116	1,148,249	3,728,271	8,051,346	-
A.2 Other debt securities	95,429	5,698	11,243	15,905	18,795	47,395	87,026	668,190	3,142,567	4,356
A.3 Units of UCITS	240,611	-	-	-	-	-	-	-	-	-
A.4 Loans	22,823,613	3,439,775	1,514,547	3,278,728	5,352,350	6,223,812	5,492,945	20,060,922	30,858,692	583,439
- Banks	15,125,960	37,801	428,366	400,221	118,311	34,250	60,124	34,049	407,440	581,087
- Customers	7,697,653	3,401,974	1,086,181	2,878,507	5,234,039	6,189,561	5,432,821	20,026,874	30,451,252	2,352
Balance sheet liabilities	77,337,810	10,780,406	1,545,518	2,121,334	4,034,446	3,164,073	2,990,868	5,286,732	3,700,057	-
B.1 Deposits and current accounts	71,059,110	77,037	160,555	484,993	1,415,160	1,477,379	1,288,688	92,826	3,172	-
- Banks	4,376,688	-	-	-	32,446	-	-	-	-	-
- Customers	66,682,422	77,037	160,555	484,993	1,382,714	1,477,379	1,288,688	92,826	3,172	-
B.2 Debt securities	2,251,747	30	746,154	57,810	23,767	157,074	1,324,180	4,472,140	2,607,861	-
B.3 Other liabilities	4,026,953	10,703,339	638,809	1,578,531	2,595,519	1,529,620	378,000	721,766	1,089,024	-
Off Balance transactions										
C.1 Financial derivatives with exchange of principal										
- long positions	15,331	398,553	40,283	107,725	1,646,215	669,367	238,415	42,947	231,384	-
- short positions	301,313	231,569	33,252	64,748	509,322	275,440	473,084	117,804	1,122,144	-
C.2 Financial derivatives without exchange of principal										
- long positions	7,839,258	1,019	282	19,382	17,485	12,819	51,705	-	-	-
- short positions	6,212,600	812	-	-	2,975	27,074	61,619	-	-	-
C.3 Deposits and borrowings to be received										
- long positions	-	15,899,646	-	-	-	-	-	-	-	-
- short positions	-	15,313,749	350,033	235,864	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds										
- long positions	290,139	7,419,183	216,009	724,715	-	-	15,796	396,512	1,274,121	-
- short positions	1,976,567	8,359,907	-	-	-	-	-	-	-	-
C.5 Financial guarantees given	8,337	1	198	388	5,420	1,625	2,325	1,297	1,622	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of principal										
- long positions	-	-	-	-	-	-	57,511	961,852	298,891	-
- short positions	-	-	-	-	-	-	57,511	961,852	298,891	-
C.8 Credit derivatives without exchange of principal										
- long positions	6,596	-	-	-	-	-	-	-	-	-
- short positions	315,533	-	-	-	-	-	-	-	-	-

2. Breakdown of financial assets and liabilities by residual contractual duration - Currency: Other

31 12 2025

Account	On demand	1 to 7 days	7 to 15 days	15 days to 1 month	1 to 3 month	3 to 6 month	6 month to 1 year	1 to 5 years	over 5 years	Unspecified maturity
Balance sheet assets	183,884	30,781	47,950	135,689	195,425	328,517	209,989	48,953	390,553	1,700
A.1 Government securities	-	-	-	-	547	1,780	172,031	132	52,630	-
A.2 Other debt securities	-	-	1,632	-	2,532	17,138	16,052	45,792	337,923	-
A.3 Units of UCITS	21,562	-	-	-	-	-	-	-	-	-
A.4 Loans	162,322	30,781	46,318	135,689	192,346	309,599	21,906	3,029	-	1,700
- Banks	65,370	11,037	23,289	34,309	27,004	21,210	14,423	-	-	-
- Customers	96,952	19,744	23,028	101,380	165,341	288,390	7,483	3,029	-	1,700
Balance sheet liabilities	678,445	28	26,987	14,880	243,842	37,355	2,137	-	-	-
B.1 Deposits and current accounts	674,317	28	26,987	14,880	45,056	37,355	2,137	-	-	-
- Banks	65,476	-	-	2,553	-	-	-	-	-	-
- Customers	608,841	28	26,987	12,327	45,056	37,355	2,137	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	4,128	-	-	-	198,786	-	-	-	-	-
Off Balance transactions										
C.1 Financial derivatives with exchange of principal										
- long positions	-	232,441	45,806	67,902	400,342	143,887	281,047	23,879	-	-
- short positions	4,667	405,917	52,960	124,011	531,491	178,431	248,348	40,853	1,710	-
C.2 Financial derivatives without exchange of principal										
- long positions	35,529	-	-	-	-	-	-	-	-	-
- short positions	35,981	-	-	-	-	-	-	-	-	-
C.3 Deposits and borrowings to be received										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to disburse funds										
- long positions	-	-	-	666	967	204	-	-	-	-
- short positions	1,836	-	-	-	-	-	-	-	-	-
C.5 Financial guarantees given	60	-	-	78	4	-	2	-	-	-
C.6 Financial guarantees received	-	-	-	-	-	-	-	-	-	-
C.7 Credit derivatives with exchange of principal										
- long positions	-	-	-	-	-	-	12,766	25,532	-	-
- short positions	-	-	-	-	-	-	12,766	25,532	-	-
C.8 Credit derivatives without exchange of principal										
- long positions	-	-	-	-	-	-	-	-	-	-
- short positions	-	-	-	-	-	-	-	-	-	-

Self-securitisations

The securitisation transactions whereby the Bank underwrites securities issued by vehicle companies (self-securitisations), or for which only securities fully subscribed by the Group remained outstanding, are not shown in the tables of Part E of the Notes to the Financial Statements, section “C. Asset securitisation and disposal transactions”, pursuant to the provisions of Circular 262 of the Bank of Italy.

Self-securitisations of assets are transactions aimed at improving liquidity risk management by optimising the amount of assets readily available to cover liquidity requirements.

Although the Bank's direct and full underwriting of the notes issued by the vehicles, i.e. the total holding of securities at a point in time after issue, does not make it possible to obtain direct liquidity from the market, it still provides the Group with securities that could be used for ECB refinancing (limited to the senior tranches as ECB eligible) and for purchase agreements by increasing the availability of disposable assets, thus improving the Bank safety margin against liquidity risk (counterbalancing capacity). From an accounting point of view, loans continue to be reported under item 40b) “Financial assets measured at amortised cost: loans to customers” on the assets side, while underwritten notes are not reported.

As at 31 December 2025, this category includes the self-securitisations completed in December 2007 (Siena Mortgages 07-5), April 2008 (Siena Mortgages 07-5 II series), April 2019 (Siena PMI 2016 Series 2)¹⁵⁷.

Siena Mortgages 07-5, I and II series

On 21 December 2007, the Bank, through the special purpose vehicle Siena Mortgages 07-5 S.p.A., finalised a securitisation transaction of performing exposures, consisting of 57,968 mortgages on residential properties for a total amount of EUR 5,162.4 mln, of which as at 31 December 2025 a residual debt of EUR 380.9 mln (8,946 mortgages outstanding).

In order to fund the acquisition, the vehicle issued RMBS Securities (Residential Mortgage Backed Floating Rate Notes) in the following classes, which as at 31 December 2025 had the rating assigned by Moody's and Fitch:

- Class A Securities for a nominal amount of EUR 4,765.9 mln, redeemed in full;
- Class B Securities (Aa2 and AA+) for a nominal amount of EUR 157.4 mln, redeemed for EUR 11.3 mln;
- Securities class C (A1 and B+), for a nominal amount of EUR 239.0 mln.

At the same time as the securities listed above, the vehicle also issued class D securities for an initial amount of EUR 124.0 mln, the proceeds of which were partly allocated to the establishment of a cash reserve. It should be noted that as at 31 December 2025 this reserve was at its target level and amounted to EUR 38.8 mln. The Class D Securities were redeemed until reaching the 10% threshold (EUR 12.4 mln).

Through the same special purpose vehicle (Siena Mortgages 07-5 S.p.A.), on 24 April 2008 a second transaction was finalised (Siena Mortgages 07-5 series 2), collateralised by a separate pool of assets consisting of an additional sale of a portfolio of performing loans composed of 41,888 residential mortgage loans for a total of EUR 3,416.0 mln and with a residual life of about 20 years.

As at 31 December 2025, this portfolio had a residual debt of EUR 277.4 mln (6,027 mortgages).

In order to fund the acquisition of the loans, the vehicle issued RMBS Securities in the following classes, each having as at 31 December 2025 the rating assigned by Moody's and Fitch:

- Class A Securities for a nominal amount of EUR 3,129.4 mln, redeemed in full;
- Class B Securities (Aa2 and A+) for a nominal value of EUR 108.3 mln, redeemed for EUR 6.9 mln;
- Class C notes (NR and CCC), for a nominal amount of EUR 178.3 mln.

At the same time as the securities listed above, the vehicle also issued class D securities for an initial amount of EUR 82.1 mln, the proceeds of which were partly allocated to the establishment of a cash reserve. The target level of the cash reserve was gradually reduced based on the performance of the transaction: as at 31 December 2025, this reserve amounted to EUR 24.4 mln. The Class D Securities were redeemed until reaching the 10% threshold (EUR 8.2 mln).

¹⁵⁷ The Siena PMI 2016 Series 2 transaction, following the redemption of the securities placed on the market, became a self-securitisation in 2022 as the outstanding securities are entirely subscribed by Banca MPS.

Siena PMI 2016 Series 2

In 2019, the Bank finalised a securitisation transaction through the vehicle named Siena PMI 2016 S.r.l. The transaction was finalised on 12 April 2019 through the sale, by the Bank, of a portfolio of performing loan contracts granted to Italian small and medium-sized enterprises, amounting to EUR 2,258.4 mln. As at 31 December 2025, the outstanding debt amounts to EUR 240.7 mln and relates to a number of loan contracts amounting to 1,821.

To finance the acquisition of the portfolio sold, the SPV on 19 June 2019 issued ABS Securities (Asset Backed Securities), in the following classes, rated as at 31 December 2025 by Fitch and DBRS as follows:

- (i) Class A1 notes for a nominal amount of EUR 519.4 mln, redeemed in full;
- (ii) Class A2 notes for a nominal amount of EUR 813.0 mln, redeemed in full;
- (iii) Class B notes for a nominal amount of EUR 225.8 mln, redeemed in full;
- (iv) Class C notes for a nominal amount of EUR 271.0 mln, redeemed in full;
- (v) Class D Securities (AA+ and AAH) for a nominal amount of EUR 248.5 mln, redeemed for EUR 174.3 mln;
- (vi) Class J notes (not rated) for a nominal amount of EUR 180.7 mln.

The Class A2 notes were placed with institutional investors for a total of EUR 720 mln; the remaining senior notes, together with the mezzanine and junior notes, were instead underwritten by the Bank.

The partial sale of the Class A2 notes on the market did not entail the derecognition of the underlying assets from the balance sheet of the transferring bank, which has substantially retained all risks and benefits associated with the ownership of the assets sold. Following the full repayment of that class in 2022, the transaction was reclassified from "Own securitisation without derecognition" to self-securitisation.

Section 5 - Operational risks

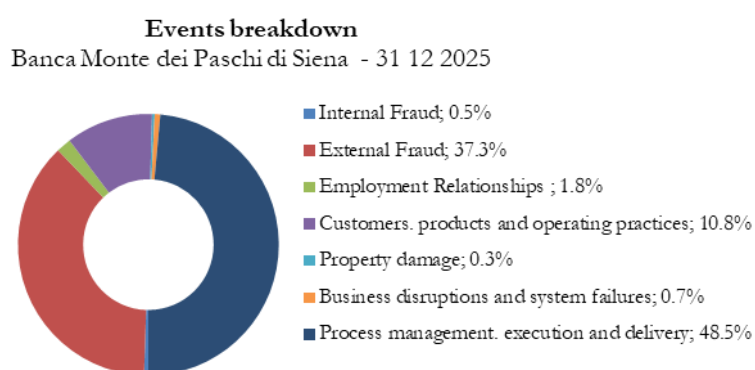
Qualitative Information

A. Operational risk: general aspects, operational processes and measurement methods

The qualitative information on the management and measurement of operational risks is shown in Part E of the Notes to the Consolidated Financial Statements.

Quantitative Information

Below is the percentage breakdown of the number of events and operating losses recognised in 2025, broken down by risk class.



As at 31 December 2025, both the number of operational risk events and the operational losses are lower compared to December 2024.

The types of event with the greatest impact on the income statement remain attributable to operational and process management shortfalls (under "Process management, execution and delivery": approximately 91% of the total). The weight is higher than in previous surveys for two main reasons: recoveries in the "Customers, products and operating practices" class, which significantly reduced its weight on total losses; recoveries in the "Systems failures" class higher than the volume of the year's losses (the negative value is shown as 0% in the chart).

Main types of legal, employment and tax risks

The following were pending as at 31 December 2025:

- legal proceedings with a total amount claimed, where quantified, totalling EUR 2,830.3 mln
- out-of-court claims with a total amount claimed, where quantified, totalling EUR 59.9 mln.
- risks associated with contractual guarantees with a total amount claimed, where quantified, of EUR 273.4 mln.

These amounts, in accordance with IAS 37, include all disputes, out-of-court claims and contractual risks for which the risk of disbursement of economic resources deriving from potential loss has been assessed as likely or possible and, therefore, does not include disputes for which the risk has been assessed as remote. The aforementioned risks were specifically and carefully analysed by the Bank, particularly in the presence of a probable risk gradient and, where it is possible to make a reliable estimate of the relative amount, specific and appropriate provisions have been allocated to the Provision for Risks and Charges. Without prejudice to the risk of uncertainty that characterises every dispute, the estimate of the obligations that could emerge from the disputes - and therefore the amount of any provisions made - derives from the forecast assessments regarding the outcome of the proceedings.

These forward-looking assessments are in any case carried out on the basis of the information available at the time of the estimate and updated during the course of the valuation. As indicated in the paragraphs "Use of estimates and assumptions when preparing financial statements", to which reference is made, the complexity of the situations forming the basis of the disputes imply significant elements of proceedings that could affect the if, how much and related materialisation timing of the liability. In this regard, therefore, although the Bank's estimates are considered robust, reliable and compliant with the dictates of reference accounting standards, it cannot be excluded that charges arising on final settlement of the disputes may prove different, even significantly, from those allocated. The above aggregate includes:

1. Legal disputes and out-of-court claims

The following were pending as at 31 December 2025:

- o legal disputes with a total petitum, where quantified, of EUR 2,781.3 mln, of which approximately EUR 1,369.6 mln as petitum relating to disputes classified as a "likely" risk of losing, for which provisions for EUR 408.2 mln are recognised, and approximately EUR 1,411.7 mln as petitum attributed to disputes classified as a "possible" risk of losing;
- o out-of-court claims for a total amount claimed, where quantified, of approximately EUR 59.9 mln, of which approximately EUR 43.1 mln classified as a "likely" risk of losing the case and approximately EUR 16.8 mln as a "possible" risk of losing the case.

The disputes of greatest relevance by macro-category or individually are illustrated below.

Disputes regarding compound interest, interest rates and conditions

The total relief sought in these disputes as at 31 December 2025 amounted to EUR 145.4 mln (EUR 184.1 mln as at 31 December 2024), while the allocated provisions amounted to EUR 60.1 mln (down from the provision of EUR 79.7 mln as at 31 December 2024).

Dispute regarding claw-back actions in insolvency proceedings

The total relief sought in these disputes as at 31 December 2025 is EUR 19.6 mln (EUR 30.9 mln as at 31 December 2024), while allocated provisions amount to EUR 11.9 mln (a decrease compared to the provision of EUR 13.9 mln in place as at 31 December 2024).

Dispute with purchasers of subordinated bonds issued by Group companies of the Group

Following the burden-sharing implemented in 2017 pursuant to Italian Law Decree No. 237/2016, certain investors who purchased subordinated bonds issued by the Bank (who later became shareholders as a result of that measure, with consequent capital losses compared to the amount initially invested) brought legal action against the Bank, largely alleging that the Bank, as intermediary, breached the specific sector regulations, especially with regard to disclosure, as

at the time of the investment the Bank would not have informed customers about the nature and characteristics of the subordinated bonds purchased.

This dispute is primarily related to investments in Lower Tier II bonds; indeed, in the majority of the cases the investors had their securities converted into ordinary shares pursuant to the law, without being able to benefit from the public offering for settlement and exchange promoted by the Bank pursuant to Decree no. 237/2016 (known as Burden Sharing Decree) intended for retail investors only.

For completeness, note that there are also a limited number of other cases in which counterparties, despite having purchased Upper Tier II securities, challenge those securities. Lastly, in a limited number of disputes, investors, although having disposed of their bonds prior to the Burden Sharing, focus their challenges on the alleged lack of disclosure and/or breach of the specific sector regulations.

The total relief sought in these disputes as at 31 December 2025 was EUR 29.5 mln (EUR 30.8 mln as at 31 December 2024), while allocated provisions totalled EUR 15.2 mln (down compared to a total provision of EUR 0.8 mln as at 31 December 2024).

Derivatives litigation

The litigation concerning OTC derivative contracts mainly concerns, in most cases, actions to establish the nullity, voidability or termination of the product, on the assumption that the financial instrument is invalid, mainly because it lacks indications of elements such as the mark to market and the probabilistic scenarios considered essential by the case law developed following the well-known judgment of the Court of Cassation, Joint Sections, No. 8770/2020 (later confirmed by rulings No. 21830/2021 and No. 22014/2023).

On the assumption of the nullity and/or invalidity of the financial instrument, the counterparties request that the Bank be ordered to return all amounts paid for the financial instruments subject to the proceedings, or the repayment of the differentials paid, the commissions as well as the failure to assume the residual mark to market in cases where the derivative is still in place.

The total relief sought in these disputes as at 31 December 2025 was EUR 54.2 mln (EUR 126.0 mln as at 31 December 2024), while allocated provisions totalled EUR 27.1 mln (a decrease of EUR 40.8 mln compared to 31 December 2024).

Disputes and out-of-court claims related to financial information

As at 31 December 2025, with regard to the financial information disclosed during the past periods the Parent Company was exposed to civil actions and in criminal proceeding 33714/16. The total relief sought at the same date for this type of dispute was equal to approx. EUR 1,157 mln, broken down as follows (data in EUR mln):

Type	31/12/25	30/09/25	30/06/25	31/03/25	31/12/24
Civil dispute	674	674	674	674	674
Filed civil claim cp 955/16		-	-	-	160
Filed civil claim cp 33714/16 and cp 29877/22	483	483	483	509	509
Total legal proceedings	1,157	1,157	1,157	1,183	1,343

With reference to criminal proceedings, it is noted:

- the definition of PP 955/16. Specifically, the total amount claimed of EUR 160 mln referred to therein was extinguished following the ruling of the Fifth Chamber of the Court of Cassation on 20 February 2025, which rejected the appeals of the Public Prosecutor and the civil party Bluebell Capital Partners, confirming the ruling of the Milan Court of Appeal of 11 December 2023 acquitting the defendants and the Bank;
- for PP 29877/22, at the hearing on 20 January 2025, the Preliminary Hearing Judge (GUP) ordered its joinder with PP 33714/16. Furthermore, by judgment of 6 June 2025, the Preliminary Hearing Judge issued a ruling of no case to answer with respect to the defendants subject to the compulsory indictment. As a result, this

decision prevents the civil parties from bringing compensation claims against the Bank as the civilly liable party, leading to the elimination of the relevant amount claimed.

The main disputes pending as at 31 December 2025 are set out below.

Banca Monte dei Paschi di Siena S.p.A. vs. Alken Fund Sicav and Alken Luxembourg S.A. (now VIRMONT SA)

The opposing parties (the “Funds”), by writ of summons served on 22 November 2017, brought an action before the Court of Milan against the Bank, as well as Nomura International (“Nomura”), Giuseppe Mussari, Antonio Vigni, Alessandro Profumo, Fabrizio Viola and Paolo Salvadori, requesting that the court ascertain and declare: (i) an alleged liability of the Bank under Article 94 of the TUF and Article 2935 of the Italian Civil Code for the unlawful acts committed against the Claimants; (ii) alleged liability of the defendants Mussari and Vigni in relation to the investments made by the Funds in 2012 on the basis of the untrue information; (iii) an alleged liability of the defendants Viola, Profumo and Salvadori in relation to the investments made by the Funds after 2012 and finally (iv) an alleged liability of Nomura pursuant to Article 2043 of the Italian Civil Code.

On these grounds, the Funds sought an order that the defendants be jointly and severally ordered to pay compensation for pecuniary loss in the amount of EUR 423.9 mln for Alken Funds Sicav and EUR 10 mln for lower management fees and reputational damage for the management company Alken Luxembourg SA, as well as an order that the defendants pay compensation for non-pecuniary loss, subject to a finding of the crime of false corporate communications. The Bank duly appeared and set out its defence. Four individuals also intervened in the case, claiming damages totalling approximately EUR 0.7 mln. In a ruling dated 7 July 2021, the Court of Milan rejected all the claims of the Funds, which were ordered to pay the Bank’s legal fees. The request of only one intervener was partially accepted, in relation to which the Bank was ordered to pay the sum of approximately EUR 52 thousand (for principal and interest) jointly with Nomura and in part with Messrs. Antonio Vigni and Giuseppe Mussari. Both the Bank, Nomura and the Funds appealed (the latter for relief sought of approximately EUR 454 mln) against the ruling before the Court of Appeal of Milan. The three proceedings were joined and finally the Court of Appeal of Milan, with a ruling published on 9 November 2023, rejected the Funds’ claims in their entirety, while upholding the appeals of Banca MPS, Nomura, Mussari and Vigni. On 9 January 2024, the Funds filed an appeal with the Court of Cassation, where the Bank duly appeared, requesting the rejection of the opposing appeal and an order that the Funds pay the costs.

Vertenza Banca Monte dei Paschi di Siena S.p.A. vs. Fondi York and York Lussemburgo

On 11 March 2019, York Funds and York Luxembourg served a writ of summons, bringing an action before the Court of Milan (Section specialised in corporate matters) against the Bank, Messrs. Alessandro Profumo, Fabrizio Viola, and Paolo Salvadori as well as Nomura International PLC, ordering the defendants, jointly and severally, to pay damages for pecuniary damages quantified in a total of EUR 186.7 mln and non-pecuniary damages to be settled on an equitable basis pursuant to Article 1226 of the Italian Civil Code, plus interest and revaluation.

The plaintiffs’ claim relates to losses incurred as part of its investment transactions in Banca MPS totalling EUR 520.3 mln, carried out through the purchase of shares (investment of EUR 41.4 mln by the York Luxembourg Fund) and through synthetic purchases of equity swap contracts (whose value was linked to the performance of the MPS share at a 1:1 ratio) (investment of EUR 478.9 mln by the York Funds). The counterparties claimed that they had disposed of the two investments described above with losses of approximately EUR 5.5 mln in the first investment and EUR 181.2 mln in the second, losses that, according to the counterparties, were caused by unlawful conduct of the Bank’s top management that distorted the financial representation in the financial statements, significantly altering the assumptions underlying the valuation of the financial instruments issued by the Bank.

The Bank duly appeared before the court.

In its judgment of 16 May 2024, the Court of Milan dismissed all the claims of the Funds, which were condemned to pay legal costs amounting to EUR 240 thousand in addition to the payment of the sum of EUR 120 thousand pursuant to Article 96 of the Italian Code of Civil Procedure in favour of each defendant.

On 17 June 2024, the Funds appealed against this judgment; the Bank duly entered an appearance in view of the first hearing set for 22 January 2025. At the said hearing, having acknowledged the death of Dr Salvadori, the proceedings were declared suspended. By application served on 28 February 2025, the Funds resumed the proceedings and at the first hearing on 25 June 2025, the documentary evidence requested by the claimants and by the defendant Bank concerning certain rulings issued in criminal proceedings related to non-performing loans was admitted, after which the Funds reiterated their evidentiary requests, already set out in the defence documents.

By order of 30 December 2025, the Court of Appeal, deeming the case ready for decision, adjourned it to the hearing of 6 May 2026 for referral of the case to the panel.

Banca Monte dei Paschi di Siena S.p.A. / Civil action and third-party action of the Bank as civilly liable party

Criminal proceedings no. 33714/16

In relation to criminal proceedings no. 33714/16 pending before the Milan Public Prosecutor's Office, the Bank was originally implicated as party bearing administrative liability pursuant to Italian Legislative Decree no. 231/2001 in connection with an allegation of false corporate communications (pursuant to art. 2622 of the Italian Civil Code) relating to the 2012, 2013, 2014 Financial Statements and the 2015 half-yearly report due to the alleged overstatement of so-called non-performing loans.

On 4 May 2018, the Bank's position was dismissed by the Public Prosecutor's Office due to the groundlessness of the crime (a measure also confirmed by the General Prosecutor's Office on 15 March 2019).

On 25 July 2019, the GIP [Preliminary Investigations Judge] of the Court of Milan, while acknowledging the dismissal of the proceedings against the Bank, as the liable entity pursuant to Italian Legislative Decree No. 231/2001 and ordered the continuation of the investigations of the defendant natural persons (i.e. chairman of the Board of Directors, Managing Director/CEO and pro-tempore Chairman of the Board of Statutory Auditors) which initially continued in the form of the evidence gathering procedure during which two experts were appointed by the GIP who, on 30 April 2021, filed their report.

Subsequently, in the context of further investigations, the Public Prosecutor ordered two new technical consultations which, although noting some alleged accounting errors, reached significantly different conclusions from those of the expert report ordered ex officio by the GIP in the context of the evidence gathering procedure.

On 16 September 2022, a notice was received concerning the conclusion of preliminary investigations pursuant to art. 415-bis of the Italian Code of Criminal Procedure against three former members of the Bank (two Chairmen of the Board of Directors and one Chief Executive Officer) and a former Executive manager (responsible for the preparation of corporate accounting documents). Despite the previous dismissal, the Bank also received the same notice as party bearing administrative liability pursuant to Italian Legislative Decree 231/01.

On 14 December 2022, a request for committal for trial was issued against the above-mentioned representatives and the former Executive manager; On 12 December 2022, the Bank's position as administratively liable pursuant to the Compliance Model under law 231 was instead dismissed.

The natural persons are charged with the offences of false corporate communications (pursuant to art. 2622 of the Italian Civil Code) and market manipulation (pursuant to art. 185 of the Consolidated Law on Finance) with reference to the 2013-2014-2015 Financial Statements and the 2015-2016 half-yearly reports, as well as of false information (pursuant to art. 173-bis of the Consolidated Law on Finance) in relation to the 2014-2015 prospectuses.

At the preliminary hearing, civil parties with a combined total of more than 5,000 names appeared. Most of the aforementioned civil parties requested the summoning of Banca Monte di Paschi di Siena as civilly liable and at the hearing of 10 November 2023, the Bank duly appeared.

At the hearing of 22 April 2024, the Judge for the Preliminary Hearing read the order concerning the issues on civil action, ordering the exclusion mainly for formal defects of almost 300 civil parties with a total amount claimed, where quantified, of approximately EUR 12 mln.

At the hearing of 20 June 2024, the Preliminary Hearing Judge, assigned to the matter of compulsory indictments relating to Criminal Proceedings no. 29877/2022 (see below), issued an order expressing opinion in favour of merging the two proceedings, deeming the legal prerequisites to be met. These proceedings were, accordingly, merged at the hearing of 20 January 2025. It should be noted that the supplementary investigation with the compulsory indictment for alleged fraud against the State in relation to the precautionary recapitalisation transaction was subject of a request of dismissal by a Public Prosecutor, who considered the report of the offence to be unfounded.

At the following hearing of 28 February 2025, the Public Prosecutor requested that a "ruling not to proceed" be issued for all the natural persons in relation to the charges in both criminal proceedings 33714/16 and in the joined criminal proceedings 29877/22, with the exception of the charge relating to false corporate communications, with reference to the financial statements relating to the financial year 2015 and to the half-yearly financial report as at 30 June 2016, for which the Public Prosecutor requested the indictment of the former Chairman of the Board of Directors, of the former Chief Executive Officer and of the former Financial Reporting Officer.

Following the final preliminary hearing held on 6 June 2025, the Preliminary Hearing Judge issued a ruling of no case to answer: i) in relation to five individuals, two former employees and three former officers of the Bank, who were subject to mandatory prosecution under criminal proceedings No. 29877/2022 RGNR (concerning alleged false corporate communications and market manipulation in connection with the nine-month report and the 2016 financial statements, as well as the half-year report and the 2017 financial statements), due to the inability to formulate a reasonable prospect of conviction; ii) in relation to two former officers of the Bank and one former executive, for the offence of false corporate communications alleged in criminal proceedings No. 33714/2016 RGNR, limited to the 2014 financial statements, due to the statute of limitations having expired.

Conversely, the Preliminary Hearing Judge ordered the indictment of three former officers of the Bank and one former executive in respect of all remaining charges brought in criminal proceedings No. 33714/2016 RGNR, specifically for the offences of false corporate communications in relation to the 2015 half-year report and annual financial statements, as well as the 2016 half-year report; false prospectus, in relation to the prospectuses dated 6 June 2014 and 22 May 2015; market manipulation, in connection with the press releases approving the 2013, 2014, and 2015 financial statements, the 2015 and 2016 half-year reports, and the prospectuses dated 6 June 2014 and 22 May 2015.

At the hearing on 18 July 2025, the Preliminary Hearing Judge ordered the compilation of the trial dossier, including, in addition to the documents required by law, the expert report obtained during the preliminary evidentiary phase.

At the hearing scheduled for 16 October 2025, the Court adjourned the hearing on the case to the hearing of 13 January 2026, at which no. 42 civil parties reappeared, who had already appeared at the preliminary hearing and were excluded by the order of 22 April 2024.

At the subsequent hearing on 22 January 2026, the Court issued an admission/exclusion order, following which no. 4,966 civil parties were definitively admitted to the trial.

At the hearing on 13 February 2026, the preliminary issues were addressed and the trial was declared open, with oral evidence admitted. The hearing was then adjourned to 19 February 2026 to decide on the declaration that the offence was time-barred and for the hearing of the Public Prosecutor's first witnesses and at the subsequent hearing on 24 February 2026 the Court issued a ruling that proceedings should not continue due to the statute of limitations having expired for the offence of false corporate communications in relation to the half-year report as at 30 June 2015. The hearing continued with the examination of witnesses. A dense schedule of hearings has also been drawn up, running until May 2026, to hear all the witnesses.

Criminal Proceedings no. 29877/2022, Court of Milan

On 28 May 2024, a number of employees, former employees and former representatives of the Bank received an order pursuant to Articles 409 and 410 of the Italian Criminal Code concerning "non-performing loans", regarding the alleged failure to recognise prior losses. This de facto order extends the period covered by criminal proceedings 33174/2016 on the same matter, regarding financial statements from 31 December 2013 to 30 June 2016, also to the financial statements as at 31 December 2016 and 31 December 2017. This order commands public prosecutors to proceed with compulsory indictment of five natural persons. With the request for commitment to trial, the public prosecutors simultaneously filed an application to merge this case into the main proceedings (see above, case ref. PP33714/2016).

At the preliminary hearings, held on 23 July 2024 and 23 September 2024, approximately 2,080 civil parties appeared, of which approximately 1,900 had already appeared in cp 33714/2016, with a simultaneous request to summon the Bank and Consob as civilly liable.

At the hearing on 28 November 2024, the Bank appeared as civilly liable, and at the subsequent hearing on 19 December 2024, the Judge issued the order ordering: (i) the exclusion of Consob as civilly liable party, (ii) the exclusion of 20 civil parties for formal defects.

At the hearing held on 20 January 2025, the Preliminary Hearing Judge ordered the joinder of the two proceedings (see above, PP 33714/2016).

Following the final hearing of 6 June 2025, the Preliminary Hearing Judge issued a ruling of no case to answer with respect to the employees, former employees, and former officers of the Bank who were subject to mandatory prosecution, due to the inability to formulate a reasonable prospect of conviction.

The procedural events more fully described above and related: i) the hearing of 20 February 2025 of the Court of Cassation, which upheld the decision of the Milan Court of Criminal Appeal acquitting the defendants and the Bank, in criminal proceedings 955/16; (ii) the ruling of no case to answer, issued by the Preliminary Hearing Judge on 6 June 2025 and which became final on 16 September 2025, in relation to some employees, former employees and former officers of the Bank, subject to the compulsory indictment order, due to the inability to formulate a reasonable prospect of conviction, taking into account also the progressive accumulation of further favourable judgments across all the clusters of civil litigation relating to the disclosure of financial information in the period 2008-2015, led to confirmation of the assessments of the risk of losing already made in the previous financial year.

In detail, the civil parties appearing in criminal proceedings 33714/2016 are classified as a “probable” risk, while the civil litigation is classified as a “possible” risk, relating to: (i) the share capital increases in both 2008-2011 and 2014-2015, which were also the subject of criminal proceedings 29634/14 and 955/2016 (now extinguished), with the full acquittal of all defendants; (ii) the civil litigation concerning non-performing loans, also the subject of case ref. p.p. 33714/2016, and the civil litigation is classified as a “remote” risk relating to the share capital increases 2008-2011 and the out-of-court complaints filed by investors concerning the alleged false disclosures relating to the recognition of the Alexandria and Santorini transactions and of “non-performing loans”.

The provisions for risks and charges relating to proceedings classified as “likely risk” were determined so as to take into account the amount invested by the counterparty in specific periods of time by the disputed information alterations (net of any disinvestments made during these same periods). The damage subject to compensation was then determined on the basis of the “differential damage” criterion, which identifies the damage as the lowest price that the investor would have had to pay if he had access to complete and correct information. For the purposes of this determination, econometric analysis techniques have been adopted - with the support of qualified experts - suitable to eliminate, among other things, the component inherent in the performance of the equity securities belonging to the banking sector during the reference period. More in detail, the total damage caused by each event potentially capable of generating information alterations was first quantified and then the amount abstractly attributable to the individual civil party was calculated, taking into account the share of capital held from time to time. From a prudential standpoint, along with the differential damage, the different criterion of “full compensation” was also taken into account (of a minor importance in the prevailing law, including the one that is currently taking shape on this specific subject matter), and that is based on the argument that false or incomplete information may have a causal impact on the investment choices of the investors to such an extent that, in the presence of correct information, they would not have made the investment in question; in this case, the damage is therefore commensurate to the invested capital, net of the amounts recovered from the sale of shares by the civil party.

In any case, the Bank has exercised the possibility granted by IAS 37 of not providing disclosures on the provisions allocated in the balance sheet as it believes that such information could seriously jeopardise its position in disputes and in potential settlement agreements.

Overall, settlement agreements were reached which led to the closure of disputes and out-of-court claims for a total relief sought of approximately EUR 4.4 bn with a total outlay of approximately EUR 241 mln (5.5% of the relief sought); these amounts include the transaction for EUR 150 mln with the MPS Foundation, which took place in 2021, against a relief sought of EUR 3.8 bn (4% of the relief sought).

It should also be noted that up to December 2025, disputes and criminal proceedings for relief sought of approximately EUR 953 mln have reached judgement, at least at first instance. Unfavourable judgements represent less than 2% of the relief sought which reached judgement and resulted in the Bank being ordered to pay damages for approximately 0.1% of the relief sought which reached judgement.

Criminal investigation into the Mediobanca transaction

Criminal Proceedings no. 13178/2025 RGNR – Court of Milan

Criminal proceedings no. 13178/2025 RGNR pending before the Milan Public Prosecutor's Office involve the current Chief Executive Officer, who, on 27 November 2025, was served with a notice of investigation in relation to the voluntary public exchange offer concerning Mediobanca shares.

According to the provisional charge, the offences of market manipulation and obstruction of the exercise of the functions of the Public Supervisory Authorities were alleged against the aforesaid Chief Executive Officer, as well as against the chairman of the Board of Directors of Delfin S.a.r.l. and the individual identified as the “head” of the “Caltagirone Group”. In particular, according to the prosecution's case, the conduct under challenge (differentiated between the three suspects) was aimed at concealing from the market, as well as from Consob, the ECB and IVASS, the existence of

shareholders' agreements between significant Mediobanca shareholders, which would have resulted, on the one hand, in the alteration of the price of the relevant shares and, on the other, in obstruction of the supervisory functions of the aforesaid Authorities. It should be noted that, at present, among the various alleged acts attributed to the three individuals under investigation, the only conduct attributed to the Chief Executive Officer consists of having allegedly acted in concert with the other persons under investigation in relation to the public exchange offer through which the Parent Company would have acquired control of Mediobanca.

Banca MPS is not under investigation as an administratively liable entity pursuant to Legislative Decree No. 231/2001 and, based on the preliminary documentation made available to the Investigating Authority, consistent documentary evidence from Consob, IVASS, the Bank of Italy and the ECB has been identified – including in the context of meetings of the collegial bodies – confirming the absence of any form of acting in concert.

The proceedings are currently at the preliminary investigation stage.

Banca Monte dei Paschi di Siena S.p.A. vs. Fresh 2008 bondholders

Certain holders of FRESH 2008 Securities maturing in 2099, by document served on 15 November 2017, sued the Bank, Mitsubishi UFJ Investors Services & Banking Luxembourg SA (which replaced the issuing Bank of New York Mellon Luxembourg), the English company JP Morgan Securities PLC and the American company JP Morgan Chase Bank N.A. (which entered into a swap agreement with the issuer of the bond) before the Court of Luxembourg in order to: (i) establish the inapplicability of the Burden Sharing Decree to the holders of the FRESH 2008 Securities and, consequently, to declare that the said Securities cannot be forcibly converted into shares, (ii) affirm the validity and effectiveness of the aforementioned Securities in accordance with the terms and conditions of their issue, as governed by Luxembourg law, and, finally, (iii) affirm that the Bank is not entitled, in the absence of the conversion of the FRESH 2008 Securities, to obtain from JP Morgan the payment of EUR 49.9 mln to the detriment of the holders of the FRESH 2008 Securities. The Court of Luxembourg, by order of 11 January 2022, rejected the Bank's requests for a stay of the proceedings until the international courts have ruled on the preliminary objections raised by the Bank. Instead, it upheld the plea of lack of jurisdiction of the court in relation to the claim concerning the usufruct contract entered into by the Bank with JP Morgan Securities PLC and JP Morgan Chase in the context of the 2008 share capital increase transaction. In relation to the aforementioned usufruct contract, the Luxembourg court reserved its decision pending the decision of the Italian court. On the contrary, it declared its jurisdiction in relation to the swap contract entered into by the Bank with the same counterparties in the context of the 2008 share capital increase transaction.

Following the commencement of the proceedings by the holders of the FRESH 2008 Securities before the Luxembourg judge, the Bank brought separate proceedings before the Court of Milan as claimant, not only to obtain a finding of Italian jurisdiction and the exclusive competence of that Court, but also – and above all – to obtain a ruling on the merits on the effects of Decree No. 237/2016 and the MEF Decree on the contractual relationships forming part of the FRESH 2008 Transaction.

In the action brought before the Court of Milan, the Bank in fact sought a finding that the clauses of the Usufruct Agreement and the Company Swap Agreement providing for payment obligations by BMPS had become ineffective and, in the alternative, a declaration of termination or extinguishment of the Usufruct Agreement due to the Capital Deficiency Event that occurred on 30 June 2017, with all consequent rulings releasing the Bank from liability.

While the Luxembourg proceedings were pending, the Court of Milan ordered a stay of the proceedings until the foreign judge had decided the issue of jurisdiction.

By judgment of 14 January 2026, the Luxembourg Court of Appeal declared that the Luxembourg court lacked jurisdiction over the entire dispute, substantially endorsing the Bank's defensive line.

In light of that ruling, there are sufficient elements to prudently assess the resumption of the proceedings before the Court of Milan.

Other proceedings*Banca Monte dei Paschi di Siena S.p.A. vs. Fatrotek*

This case, where the Bank was sued together with other credit institutions and companies with the summons of 27 June 2007, seeks the assessment of alleged monetary and non-monetary damage suffered by the plaintiff, as a result of an alleged unlawful report filed with the Italian Central Credit Register. The relative relief sought amounts to EUR 157 mln. The plaintiff also asks that the defendant banks be found jointly liable, each proportionately to the seriousness of its behaviour. The Bank's defence was based on the fact that the Company's extremely severe financial situation fully justified the Bank's initiatives.

On 5 June 2018, the bankruptcy of the company was declared, which prompted the receivership to take up the case again. At the end of the preliminary investigation, during which an expert was court-appointed, the case was withheld for decision on 6 October 2022. Subsequently, on 11 November 2022, the Court of Salerno ascertained and settled only the non-pecuniary damage, amounting to EUR 20,000 for each bank (thus totalling EUR 100,000), plus interest and costs of litigation. The disbursement attributable to the Bank is approximately EUR 34 thousand. The case concerning the appeal lodged by the Receivership was held on 11 July 2024, for the acquisition of the official technical report carried out as part of the first instance proceedings.

At the hearing on 25 September 2025 for closing arguments, the case was withheld for decision.

Vertenza Banca Monte dei Paschi di Siena S.p.A. vs. Renova Red SpA

On 9 September 2024, Renova Red brought an action against the Bank before the Court of Siena to ascertain the defendant's failure to comply with the framework agreement on the eco bonus, entered into in September 2021 between the Bank and the plaintiff company for a total nominal amount of approximately EUR 76 mln.

The counterparty argument is that the Bank arranged the purchase of only a minimal part of the receivables envisaged in the aforementioned framework agreement, then unjustifiedly refusing to purchase subsequent receivables from November 2021. This would have forced Renova Red to find other brokers on the market to complete subsequent factoring only six months later with considerable damages in terms of financial and non-financial losses, estimated by the plaintiff as approximately EUR 32 mln.

Following the initial appearance of the parties on 29 April 2025, the Judge, having lifted the reservation, rejected the evidentiary motions filed by the Bank and admitted a court-appointed expert opinion, adjourning the case to the hearing of 2 October 2025 for the assignment of the expert mandate.

At that hearing, the Judge reserved judgment both on Renova's request to replace the court-appointed expert and on the Bank's request to supplement the questions; thereafter, the Judge revoked the previously appointed court-appointed expert, appointing another professional in replacement and partially upholding the Bank's request to supplement the questions.

At the hearing of 8 January 2026 scheduled for the assignment of the mandate to the new court-appointed expert, the Bank requested revocation of the court-appointed expert opinion, on the basis of recent case law favourable from the Court of Siena; however, the new Judge appointed to hear the case rejected that revocation request, confirming the court-appointed expert opinion and adjourning the case to 18 June 2026 to examine the expert report.

*Banca Monte dei Paschi di Siena S.p.A. vs. Riscossione Sicilia S.p.A. (now ADER - Revenue Agency - Collections)*Dispute brought by Riscossione Sicilia

By writ of summons served on 15 July 2016 Riscossione Sicilia S.p.A. (today the ADER, Italian Revenue Agency - Collections, which took over all legal relations of Riscossione Sicilia from 1 October 2021, pursuant to art. 76 of Italian Law Decree no. 73/2021 converted with Italian Law no. 106/2021) had summoned the Bank before the Court of Palermo, asking for it to be ordered to pay the total sum of EUR 106.8 mln.

By judgment No. 2350/22, filed on 30 May 2022, the Palermo Court, substantially in line with the conclusions of the court-appointed expert, rejected the claims brought by Riscossione Sicilia and, upholding the counterclaim filed by the Bank, ordered the former to pay the Bank approximately EUR 2.9 mln, plus statutory interest and legal costs.

This judgment was appealed on 27 December 2022 by summons before the Court of Appeal of Palermo. The Bank made an entry of appearance with a petition filed on 13 April 2023, explaining a cross-appeal. The case is currently adjourned for closing arguments until 1 April 2027.

Legal action brought by the Finance Department of the Sicily Regional Government ("the Department")

On 17 July 2018, the Finance Department of the Sicily Regional Government served an injunction order upon the Bank pursuant to art. 2, Italian Royal Decree no. 639/1910 (hereinafter also the "Order") and for repayment pursuant to article 823, paragraph 2 of the Italian Civil Code of a total of around EUR 68.6 mln. After integration of the cross-examination of *iscossione Sicilia S.p.A.*, by ruling no. 3649/2021, published on 4 October 2021 and notified on 5 October 2021, the Court of Palermo rejected the Bank's objection to the aforementioned order with simultaneous sentencing of the Parent Company to pay legal costs. The Bank lodged an appeal against this decision before the Palermo Court of Appeal. With an order filed on 11 February 2022, the Court of Appeal ordered the integration of the cross-examination against the Revenue Collection Agency (ADER), as successor of *Riscossione Sicilia S.p.A.*, setting the collegial hearing for the new appearance on 1 July 2022; Currently, the case has been adjourned to the hearing of 22 October 2026 for the specification of conclusions.

Actions brought by Banca Monte dei Paschi di Siena S.p.A.

In the additional and separate administration proceedings (case ref. 2201/2018) brought by the Bank before the Regional Administrative Court of Sicily to obtain a declaration of invalidity and cancellation of the injunction order, by ruling no. 3043 of 17 November 2023, the Court accepted the Bank's appeal, cancelling the challenged order limited to the alternative claim of the Sicily Regional Government, deeming that the Regional Government could not object to any action for protection of possession pursuant to art. 823, paragraph 2, of the Italian Civil Code, since it constitutes a right of claim rather than a right in rem, and ordered the costs to be offset between the parties. The judgment was not appealed and has become final.

Following service upon the Bank on 21 September 2022 of the tax demand stating the amount claimed by the Department pursuant to ruling no. 3649/2021, by writ of summons of 21 November 2022, the Bank filed claims before the Court of Siena (RG 2737/2022) against ADER and the Department in other proceedings opposing enforcement and the tax demand as an executive act pursuant to art. 615 of the Code of Civil Procedure, also for the purpose of obtaining suspension of enforceability of the title. These proceedings ended with a ruling on 13 December 2023, which rejected the Bank's opposition and ordered it to pay the costs of EUR 91.6 thousand; By summons of 21 June 2024, said ruling was appealed before the Court of Appeal of Florence, which adjourned the case for decision to the hearing of 23 June 2026.

The other initiatives adopted by the Bank to respond to the credit claim of the Assessorato referred to in ruling no. 3649/2021 – specifically, the application before the Court of Auditors submitted on 21 November 2022 pursuant to art. 172 paragraph 1(d) of the Code of Accounting Justice to declare null and void the actions for the recovery of the amounts and the administrative petition of 16 November 2022 pursuant to Law no. 228/2012 to obtain suspension of the collection of the amount indicated in the tax demand – were unsuccessful and therefore, on 27 January 2023, in strict compliance with the tax demand, which in the detailed items of the credit of the tax authority included interest at the legal rate, payment of the total amount of EUR 74 mln was arranged, as full payment of the amount issued by the Sicily Region.

Finally, the initiatives required for judicial recovery of the aforementioned credit of approximately EUR 68.6 mln from ADER were launched, against which the Bank has title, as universal successor of *Riscossione Sicilia S.p.A.*

Vertenza Banca Monte dei Paschi di Siena S.p.A. vs. Nuova Idea

With a writ of summons notified on 21 December 2021, *Nuova Idea S.r.l.* summoned the Bank before the Court of Caltanissetta in order to have it declared obliged to compensate the totality of the damages, pecuniary and non-pecuniary, suffered by the company as a consequence of the protest of a bill of exchange of approximately EUR 3,000 domiciled at the Caltanissetta branch, which according to the plaintiff's claim was raised due to the exclusive act and fault of the Bank.

The plaintiff argues that the illegitimate protest constituted the only causation of a chain of events described in the writ of summons which resulted in the sharp reduction of its equity investment in a Temporary Grouping of Companies (RTI) that had been awarded a service contract with *ASL Napoli 1 Centro*, consequently requesting, principally, that the Bank was ordered to pay in its favour the amount of EUR 57.3 mln by way of loss of earnings as well as an amount of EUR 2.8 mln by way of loss of profit, and thus a total of EUR 60.1 mln, in addition to compensation for damage to the corporate image and commercial reputation to be paid on an equitable basis.

With ruling No. 26 of the Court of Caltanissetta, published on 8 January 2025, the first instance of the case was finalised with the Bank being ordered to pay EUR 2.8 mln as compensation for the damage suffered by *Nuova Idea S.r.l.*, with full compensation for legal costs. The Court held that there was a causal link between the non-payment of the bill by Banca

MPS and the marginalisation of the company in the public tender obtained in RTI. On 17 February 2025, the Bank filed an appeal against judgment No. 26/2025 issued by the Caltanissetta Court, simultaneously submitting an application for the suspension of its enforceability and execution pursuant to Articles 283 and 351 of the Italian Code of Civil Procedure. By order issued on 22 May 2025, the Caltanissetta Court of Appeal granted the precautionary request, ordering the suspension of the enforceability of the appealed judgment.

The next hearing on the merits of the second-instance proceedings has been scheduled for 30 September 2027.

Banca Monte dei Paschi di Siena S.p.A. vs. Italtrading

In February 2020, the Italtrading receiver sued the former subsidiary MPS Leasing & Factoring, as civilly liable for the damage pursuant to art. 2049 of the Italian Civil Code caused through a former employee, consisting of the irregular recognition in the financial statements of lower payables to the banking system and at the same time of lower receivables from subsidiaries and some customers. This is in violation of the provisions of art. 2423 of the Italian Civil Code, resulting in a concealment of the loss of share capital and, therefore, an aggravation of the insolvency. The claim for damages was quantified at EUR 132.8 mln.

During the lawsuit, in which the former subsidiary appeared before the court, following the conclusions of the insolvency proceedings, the claim was reduced to EUR 63 mln with the request for a provisional payment of EUR 6 mln.

By ruling of 19 May 2023, the Court of Milan acquitted the former employee of the charges against him, with consequent release effect for Banca MPS, which had taken over by virtue of incorporation from MPS L&F. Appeal proceedings are pending before the Court of Appeal of Milan, filed last October by the Italtrading receiver. The first appeal hearing was held on 4 July 2024. The Public Prosecutor deferred the case to the Court, given the exclusively civil nature of the matter.

At the hearing on 3 November 2025, the Court of Appeal issued a judgment, ordering, with an even more favourable decision than the Court of first instance, the full acquittal of the defendant, a former executive holding office at the time of the facts, consequently excluding any liability on the part of the Bank involved in the criminal proceedings as civilly liable party. The Court reserved the right to file the grounds; to date, a copy of the decision with the grounds for the judgment has not yet been filed.

Dispute Banca Monte dei Paschi di Siena S.p.A./ Società Italiana per Condotte D'Acqua S.p.A. under extraordinary administration

By means of a writ of summons served on the Bank on 23 December 2022, Società Italiana per Condotte D'Acqua S.p.A. under extraordinary administrative proceedings brought an action for damages against the credit institutions in conjunction with the factoring companies (32 counterparties), the independent auditors, the members of the Managing Board and of the Supervisory Board of the company in bonis, for having contributed - through the use and granting of credit - to the commission of acts of misadministration that caused (or contributed to causing) serious damage to the company and to the entire creditors' class. The damage is quantified:

- jointly and severally among all defendants in the amount of EUR 389.3 mln;
- alternatively EUR 322.0 mln (increase in insolvency liabilities);
- or alternatively in the amount of EUR 39.5 mln with reference to individual transactions (referring to associates).
- At the hearing of 22 April 2024, a number of parties filed action against third parties; In authorising the third-party claims invoked, the Judge adjourned the case for the first appearance hearing in February and subsequently to 1 July 2025, 18 November 2025 and finally to 29 September 2026 for the same purposes, pending proof of the completion of service of the renewed writ of summons on Banco Do Brasil S.A..

In the meantime, the proceedings were declared extinguished with respect to the parties that had reached settlement agreements with Condotte (including the audit firm) and to the defendants who were not served with the writ of reinstatement. At present, it is not possible to estimate the effects of this partial settlement on the remaining debt position of the other co-obligors, as such effects depend on any determination of the respective share of liability among the parties involved.

A meeting was held on 10 November 2025 between the lawyers of the Extraordinary Administration procedure and the defendant Banks in order to consider a possible settlement solution. In summary, the Extraordinary Administration (A.S.) procedure presented to the Banks the opportunity to consider a proposal to discontinue the proceedings (with withdrawal of the claims) in exchange for an all-inclusive payment by the banking sector of a total of EUR 64 mln (around 20% of the

amount of EUR 322.0 mln requested in the alternative). Discussions will follow among the Banks to jointly assess this proposal and, if applicable, establish a criterion for the allocation of internal shares to determine any pro-rata amount to be paid.

Banca Monte dei Paschi di Siena S.p.A. vs. Privilege Yard S.p.A. (in bankruptcy) - Appeal

By ruling no. 14832/2022 of 4 October 2022, the Court of Rome ascertained the liability of various credit institutions, including the former subsidiary MPS Capital Services S.p.A. (now merged into the Bank), defendants jointly and severally for complicity pursuant to art. 2055 of the Italian Civil Code in the misadministration by the directors of Privilege Yard S.p.A. pursuant to art. 2393 of the Italian Civil Code and consequently ordered them to pay as compensation for the damage caused to the assets of Privilege Yard S.p.A. an amount, quantifiable by way of application of the net equity criterion, equal to EUR 57.1 mln, in addition to legal costs and expenses.

In agreement with the other banks, which were originally part of the pool, the decision was to proceed with the spontaneous payment, although subject to repetition at the outcome of the appeal, by paying in the agreed amount of one fifth, for each bank, of the sentenced amount plus costs, fees and expenses.

All banks, including the former subsidiary, appealed independently. The first appearance hearing held in February 2024 was postponed for closing arguments to November 2025.

On 15 April 2025, a proposal for a bankruptcy agreement with an underwriter was presented, under analysis by the lawyers assisting the banks of the pool, subject to the definition of an agreement with the banks for the closure of the pending appeal proceedings.

On 10 July 2025 all the Banks signed the relevant no-objection letter to the composition proposal. By order of 3 October 2025, the Judge acknowledged that the proposal had been approved and proceeded to approve the underwriter's composition proposal (QAI), which is pending finality, as a third party has lodged an objection. Once the approval becomes final, the agreement already reached will be finalised for the retrocession in favour of the Banks of a portion of the original outlay. The next hearing for the objection to the approval has been scheduled for 15 January 2026.

Banca Monte dei Paschi di Siena S.p.A. vs. Barbero Metalli S.p.A.

The proceedings, with a total amount claimed equal to EUR 37.5 mln, were brought by B.M. 124 S.R.L. – assignee of the composition with creditors of Barbero Metalli S.p.A. in JV with BeCause – against the directors and statutory auditors of the company, as well as the various credit institutions jointly and severally, for having contributed to the insolvency of the company through the granting of credit in an improper manner.

The plaintiff asks for the directors, auditors and banks to be found jointly and severally liable for approximately EUR 37.5 mln as additional loss incurred by the company, and in the alternative liable for EUR 22.9 mln, as the value of individual detrimental transactions carried out by the company and expressly listed in the summons (the contribution indicated for the Bank would consist in having advanced EUR 8.8 mln to the company since 2009).

On 13 September, due to the failure of the settlement proposal put forward, the judge ordered the opening of the preliminary investigation of the case by means of technical advice. On 4 December 2024, the court-appointed expert was sworn in and the Bank appointed its own expert witness.

The first court-appointed expert report was filed on 22 September 2025. Following supplementary requests from the parties, the Judge scheduled the hearing of 18 March 2026 to discuss the supplementary court-appointed expert report, with the expert work still ongoing.

Banca Monte dei Paschi di Siena S.p.A. vs. Isoldi S.p.A.

In June 2020, a summons was served by the bankruptcy receiver of Isoldi Holding S.p.A. in liquidation against several credit institutions (including the Bank) on the assumption of joint and several liability of the banks with the board of directors of Isoldi Holding S.p.A. in liquidation for having contributed to the commission of acts disposing of the company's assets, to the artificial survival of the company despite its insolvency and to the worsening thereof, identified as:

- purchase of shares and the related option rights of the company Aedes S.p.a., carried out at prejudicial conditions compared to market prices with an increase in indebtedness, in a position of equity and financial instability of the bankrupt company;

- access to a reorganisation plan pursuant to art. 67, paragraph 3, letter d), of the Bankruptcy Law, signed on 9 May 2011 by 7 banks (the Bank for 19%) and Isoldi Holding through the establishment of two new companies for the transfer of business units bound to the satisfaction of debtors with collaterals (Newco Isoldi and I.R.O.) and the disbursement of new funding for a total of EUR 17.6 bn secured by mortgages in grade II and sureties of Isoldi Holding.

The first appearance hearing was held on 16 February 2023 and the Judge reserved judgment on the various evidentiary requests submitted by the parties. On 9 January 2024, the Judge withdrew his reservation, recognising, on a preliminary basis, the assignee's legitimacy to continue the proceedings initiated by the receivers and approving the court-appointed expert in relation to the two macro transactions referred to in the summons. The lawsuit, scheduled for January 2025, was then postponed as negotiations were opened to settle out of court the pending litigation with the bankrupt Isoldi Holding (formerly Isoldi S.p.A.), now BeCause. On 13 February 2025, the Bank paid the agreed amount net of the CTU costs, which are currently being paid, as they were settled in the last quarter of 2025. By order dated 12 April 2025, the proceedings were declared partially extinguished limited to the procedural position of Banca MPS. The case is closed.

Vertenza Banca Monte dei Paschi di Siena S.p.A. vs. Parrini S.p.a.

The lawsuit, with a total amount claimed equal to EUR 42.2 mln, was brought against different credit institutions jointly and severally alleged to have contributed to the insolvency of the company through predatory lending.

Notably, in regard to the position of the former subsidiary MPS Capital Services S.p.A. (now merged into the Bank), the complaint concerns the connivance with the acts of maladministration of the directors, who made use of credit at a time when the state of crisis of the company was no longer remediable, not in view of a corporate restructuring, but for the sole purpose of continuing the business activity and management, without letting this state of crisis become public, thus delaying the declaration of insolvency, and causing damage to the company and its creditors by granting a mortgage loan on 4 August 2011.

Given the content of the claims, the share of the risk pertaining to the former subsidiary MPS Capital Services S.p.A., jointly and severally summoned with the other defendants to pay the entire amount requested in relief, has not been quantified.

On 3 February 2022, the Judge lifted the reserve by postponing the case to the hearing of 31 October 2022 to produce items of evidence. The receivers asked for the appointment of a court-appointed expert. At the hearing, the Receivers insisted on the request for an economic-financial and accounting court-appointed expert report and the request for the issuance of the order to produce evidence concerning the investigation carried out by the banks prior to the granting of the loans to Parrini.

After the court-appointed expert was appointed last February, the Bank appointed its own expert witness. The next hearing is scheduled for 2 March 2026 to examine the expert report.

Banca Monte dei Paschi di Siena S.p.A. (incorporating MPS L&F S.p.A.) vs. POLYTECHNIC LABORATORY OF RESEARCH S.C.A R.L.

By writ of summons dated 23 November 2023, the bankruptcy receiver of POLYTECHNIC LABORATORY OF RESEARCH S.C. A R.L. brought proceedings against former MPS Leasing e Factoring S.p.A. before the Court of Appeal of Florence, seeking reversal of the judgment issued at first instance by the Court of Siena, whereby Monte dei Paschi di Siena Leasing & Factoring, Banca per i Servizi Finanziari alle Imprese S.p.A. was ordered to render an account in relation to the factoring relationship with the bankrupt company Polytechnic Laboratory of Research S.c.a.r.l. in liquidation, by filing the statement of account and the related supporting documents, indicating the activities carried out, the sums collected and details of any claim asserted by the bankruptcy estate in relation to the various assignments.

On appeal, by expanding the claim made at first instance, the bankruptcy receiver is seeking an order requiring the Bank to pay the entire pool of receivables under the aforesaid factoring agreement, amounting to approximately EUR 26.3 mln or, in the alternative, to repay EUR 9.4 mln, corresponding to the receivables the assignment of which had been expressly accepted by the assigned debtor, plus costs.

The Bank entered an appearance in May 2025.

By order of 5 November 2025, the Court fixed the hearing for closing arguments, which was held on 10 December 2025, following which the case was reserved for decision.

Banca Monte dei Paschi di Siena S.p.A. vs. Berloni Immobiliare Srl

By writ of summons served on 2 November 2018, Berloni Immobiliare Srl and Berloni Marcello brought an action before the Court of Pesaro (R.G. 2923/2018) against the Bank together with 7 other banking and financial institutions, the assessor and the drafting company, in order to obtain a declaration of nullity and/or annulment of all acts carried out in execution of the recovery plan and the financing agreement reached between the defendant Banks and the companies of the Berloni Group (financing, mortgage registrations, pledges, contribution of shares, etc.), as well as an order that the defendants be held jointly and severally liable for compensation for damages, both pecuniary and non-pecuniary, allegedly suffered. The total claim for damages is quantified at EUR 53.5 mln and the Bank has entered an appearance. In May 2019, Berloni Immobiliare srl filed a quitclaim. The lawsuit continued for a total amount claimed of approximately EUR 30 mln. In November 2022, a court-appointed expert was ordered to verify the 'manifest unsuitability' of the recovery plan drawn up. The case was decided by order of 3 October 2024.

On 12 March 2025, the judgment was published rejecting all the plaintiff's claims in full and condemning the opposing party to pay the costs in favor of each defendant. The Bank's legal counsel notified the judgment on 13 March 2025 and is verifying that the judgment has become final, following notification of the same by all the other defendants. The judgment became final as of 9 May 2025.

Banca Monte dei Paschi di Siena S.p.A. vs. Extraordinary Administrators of Impresa S.p.A.

By means of a writ of summons served on 11 November 2016, the extraordinary administration procedure of Impresa S.p.A. sued the Bank, together with other banks participating in a *pool* (our share 36.48%), to ascertain and declare the liability of said banks, of the members of the Board of Directors of Impresa S.p.A., and of the audit firm, and to order them to pay damages, jointly, allegedly suffered by the company in the amount of EUR 166.9 mln.

According to the allegations, the banks, in conspiracy with the statutory auditors, directors and auditors, by financing the acquisition of the infrastructure branch of B.T.P. S.p.A. by Impresa S.p.A. caused the latter's bankruptcy. The Bank entered an appearance.

At the hearing on 7 January 2023, the judge admitted a Court Appointed Expert (CTU), filed on 29 March 2024. On the basis of the report, the disputed transaction would have generated an imbalance in the company's sources of financing, causing the unsustainability of the debt and the consequent insolvency of Impresa S.p.A., quantifying the relative damage at EUR 86.1 mln and noting how the credit rating was not adequately assessed by the financing banks at the time of disbursement.

At the hearing on 22 April 2024, the Judge recorded the parties' exceptions and granted a time limit for written notes to 31 May 2024. After filing the authorised notes by the stated deadlines, the Judge's decision to lift the reservation is pending.

Banca Monte dei Paschi di Siena S.p.A./Unieco Società Cooperativa

With a deed notified on 11 February 2025, Unieco Società Cooperativa in Compulsory Administrative Liquidation (LCA), in the person of the Liquidator, cited the directors and former directors of the company, the auditors and the banks financing the debt restructuring agreement pursuant to art. 182 bis L.F. of 2013. The central point of the opposing action is based on the concrete feasibility of the restructuring plan presented by UNIECO, requesting: (a) to ascertain and declare the joint and several liability pursuant to Article 2055 of the Italian Civil Code of the defendants for having caused Unieco Società Cooperativa, now in compulsory liquidation, and its creditors damage currently quantifiable at EUR 55.5 mln, or such greater or lesser amount as may be determined at the end of the proceedings; (b) consequently, to order the defendants, jointly and severally, to pay Unieco Società Cooperativa, in LCA, the aforementioned sum, plus interest and monetary revaluation. Furthermore, the reimbursement of the fees and legal costs is requested, in addition to the reimbursement of general expenses in the amount of 15% of the fees, and additional costs.

The first hearing, scheduled for 21 July 2025 before the Companies Section of the Bologna Court, was postponed to 27 November 2025.

After filing the pleadings and replies pursuant to art. 171 of the Italian Code of Civil Procedure, at the hearing on 27 November 2025, the counterparty insisted on the request for a court-appointed expert report and on oral evidence already submitted in the documents; the Bank insisted in particular on the statute of limitations defence and requested that the case be referred to the Panel for decision; the Judge reserved judgment on the parties' applications.

2. Employment law disputes

As at 31 December 2025, tax disputes were pending for which the total relief sought, where quantified, was equal to approximately EUR 16.9 mln. Specifically:

- Approximately EUR 11.6 mln as the amount claimed in disputes classified as carrying a “likely” risk of an unfavourable outcome, for which provisions of approximately EUR 10.9 mln have been recognised;
- approx. EUR 5.3 mln as relief sought for disputes for which there is a “possible” risk of disbursing financial resources.

Information on the main dispute pending as at 31 December 2025 is provided below.

Banca Monte dei Paschi di Siena S.p.A. vs. Fruendo

The transfer of the “back office” business unit of Banca MPS to Fruendo, dating back to 1 January 2014 and involving no. 1,064 employees, was declared unlawful in employment-law terms at all levels of proceedings, with consequent reinstatement in the Bank of 452 claimants (on 1 April 2020), who were simultaneously seconded to the company.

In relation to this, during 2019, numerous rulings issued by the Court of Cassation developed a changed case-law approach whereby, in the event of an unlawful transfer of a business unit, the transferor that does not reinstate the workers also bears a wage obligation – from the date of annulment of the transfer until reinstatement in service – in addition to what has been paid by the transferee, no longer considering applicable the discharging principle of payment made by the latter.

Based on this changed case-law approach (so-called “double remuneration”), litigation arose which, in its various phases, triggered settlement negotiations that have, to date, resulted in the finalisation of 356 settlements. As at the reporting date of these financial statements, proceedings are still pending with 12 workers, with hearings currently scheduled between January and March 2026.

With reference to the “unlawful outsourcing” line of cases, proceedings are currently pending before the Court of Cassation for 14 workers (after judgments in favour of the Bank at both first instance and appeal) and for 16 workers at first instance before the Siena Court, Labour Section, with the next hearing in March 2026.

3. Tax disputes

As at 31 December 2025, tax disputes were pending for which the total relief sought, where quantified, was equal to approximately EUR 32.1 mln. Specifically:

- approx. EUR 14.1 mln as a total amount claimed for disputes for which there is a “likely” risk of disbursing financial resources, for which provisions of approx. EUR 12.1 mln have been allocated;
- approx. EUR 17.9 mln as a total amount claimed for disputes for which there is a “possible” risk of disbursing financial resources.

Risk linked to representations and warranties given in the sale and demerger of non-performing loans

In previous years, the Bank launched an important destocking plan for non-performing loans with the aim of significantly reducing its NPE ratio. As part of these transfers of non-performing loan portfolios, indemnities are envisaged to be paid to the transferee counterparties if the representations and warranties (R&W) issued prove untrue.

In this regard, note the securitisation transaction carried out by the Group in December 2017 in favour of Siena NPL which resulted in the cancellation of bad loans for a gross exposure of over EUR 22 bn, whose R&W expired on 31 July 2021. At the reporting date of these financial statements, all claims received by the deadline were analysed, of which a limited percentage were assessed as well-founded and paid.

Also noteworthy are, (i) the “Hydra-M” demerger transaction in the 2020 financial year concerning EUR 7.2 bn of gross non-performing loans whose R&W matured on 1 December 2022 and for which all claims received were analysed and paid where deemed justified; (ii) the 2022 “Fantino” sale transaction concerning EUR 0.9 bn of non-performing loans whose representations and warranties expired between 28 October 2023 (Intrum S.p.A.) and 20 May 2024 (Amco S.p.A. and Illimity S.p.A.); all claims received were analysed and paid where deemed justified; (iii) the 2023 “Mugello” sale transaction concerning EUR 0.2 bn of non-performing loans, whose representations expired in the first quarter of 2025;

to date, a small number of claims have been notified; all claims received were analysed and paid where deemed justified; (iv) the “Bricks” sale transaction for the 2024 financial year, finalised through the signing of three sale agreements with different assignees and concerning a total of EUR 0.3 bn of non-performing loans, whose representations and warranties will expire between December 2025 and the first quarter of 2026. To date, a modest number of claims for compensation have been notified; all claims received were analysed and paid where deemed justified; (v) the “Small Gem” sale transaction, finalised in the first half of 2025 through the signing of a sale agreement concerning a total of EUR 44 mln of non-performing loans, whose representations and warranties will expire on 23 September 2026; to date, no claims for indemnity have been notified; vi) the “Domino 1” sale transaction, finalised in the second half of 2025 through the signing of three sale agreements with different transferees and concerning a total of EUR 243 mln of non-performing loans, whose representations and warranties will expire in the second half of 2026; to date, no claims for indemnity have been notified; vii) the “Domino 2” sale transaction, finalised in the second half of 2025 through the signing of four sale agreements with three different transferees and concerning a total of EUR 116 mln of non-performing loans, whose representations and warranties will expire in the first half of 2027; to date, no claims have been notified.

The total petitum for these transactions as at 31 December 2025 is EUR 273.4 mln, of which EUR 58.9 mln is classified as a “probable” risk of losing and around EUR 214.5 mln as a “possible” risk of losing.

For some of the aforementioned transactions, a risk remains limited to that part of the claims already analysed and considered non-indemnifiable by the Bank, in addition, where present, to the residual component of claims to be analysed.

In general, the risk provisions for this type of transaction, if the claims are not fully analysed and/or the expiry date has not yet matured, are also determined through the use of statistical techniques to take into account the overall expected risk.

Financial risks of investment services

Foreword

The following section on financial risks of investment services was written as part of the “Operational Risk” section in line with the compulsory framework for preparation of the Notes to the Financial Statements, even though this subject presents specific characteristics and involves organisational levels of authority that are not directly traceable to operational risk management.

Wealth risk management process and methods

Please refer to Part E of the Notes to the Consolidated Financial Statements.

Consultancy services offered

The strategic choice of the Bank is to systematically combine the placement of financial products with advisory so as to ensure the highest level of protection for the investor and, at the same time, enhance the role played by relationship managers. Again, with a view to protecting customers, the obligation to verify appropriateness has also been extended to the trading activities on the secondary market of the certificates issued by the Bank.

The Bank offers two types of advisory services:

- a “basic” advisory, aimed at verifying the suitability of a single specific investment recommendation, or several investment transactions or several disinvestment transactions in relation to the risk of the customer’s investment portfolio as a whole. In this regard, the adequacy model adopts a multivariate control approach to the individual risk factors, taking the risk of the customer’s portfolio, including the recommended investment product(s), as a reference.
- an “advanced” advisory, aimed at verifying the suitability of the overall set of advised transactions based on a range of investment/disinvestment transactions targeted at the construction of one or more portfolios of advanced advisory, consistent with the respective investment objectives, in reference with an optimal asset allocation that aims at obtaining maximised future returns, based on the investment portfolio risk given the customer’s risk profile. In this regard, the adequacy model adopts a multivariate control approach to the individual risk factors, taking the risk of the customer’s portfolio, including the recommended investment product(s), as reference.

Wealth risk management activities cover the entire distribution perimeter of the Parent Company branch network and the investment services operations of Banca Widiba.

For further details, please refer to “Operational risk” section in Part E of the Notes to the Consolidated Financial Statements.

Part F - Information on shareholders' equity

Section 1 - Shareholders' equity

A. Qualitative Information

For qualitative information on shareholders' equity, the related management policies and the rules governing the determination of own funds, please refer to Part F of the consolidated Notes to the financial statements.

B. Quantitative Information

B.1 Shareholders' Equity: breakdown

Net equity items	Total 31 12 2025	Total 31 12 2024
1. Shareholders' equity	17,978,187	7,453,451
2. Share premium	3,146,576	-
3. Reserves	3,754,235	1,855,557
- retained earnings	2,199,444	1,353,492
a) Legal reserves	394,442	202,153
b) statutory reserve	591,663	303,229
c) Treasury shares	-	-
d) others	1,213,339	848,110
-others	1,554,791	502,065
4. Equity instruments	-	-
5. Treasury shares (-)	-	-
6. Valuation reserves	38,240	52,555
- Equity instruments measured at fair value through other comprehensive income	(14,146)	(14,167)
- Financial assets (other than equity instruments) measured at fair value through other comprehensive income	(19,099)	(29,852)
- Tangible assets	101,385	104,046
- Cash flow hedges	11,858	24,316
- hedging Instruments - not designated items	-	-
- Exchange difference	1,600	4,395
- Non-current assets and group of assets held for sale	-	5,570
- Financial liabilities measured at fair value through profit and loss (changes in own credit worthiness)	2,495	4,925
- Actuarial gains (losses) on defined benefit plans	(45,853)	(46,678)
7. Profit (loss) for the year	3,104,816	1,922,898
Net equity	28,022,054	11,284,461

B.2 Valuation reserves for financial assets measured at fair value through other comprehensive income: breakdown

Asset/Amount	Total 31 12 2025		Total 31 12 2024	
	Positive reserve	Negative reserve	Positive reserve	Negative reserve
1. Debt securities	358	(19,457)	12,418	(42,270)
2. Equity instruments	6,405	(20,551)	7,001	(21,168)
4. Loans	-	-	-	-
Total	6,763	(40,008)	19,419	(63,438)

B.3 Valuation reserves for financial assets measured at fair value through other comprehensive income: annual changes

31 12 2025

	Debt securities	Equity instruments	Loans
1. Opening balance	(29,852)	(14,167)	-
2. Increases	26,178	1,763	-
2.1 Increases in fair value	10,107	1,744	-
2.2 Net losses (recoveries) on impairment	1,095	X	-
2.3 Reversal to profit and loss of negative reserves	14,975	X	-
2.4 Transfers to other components of equity (equity instruments)	-	19	-
2.5 Other increases	1	-	-
3. Decreases	15,425	1,742	-
3.1 Decreases in fair value	3,022	32	-
3.2 Impairment provisions	-	-	-
3.3 Reversal to profit and loss of positive reserves: following disposal	12,403	X	-
3.4 Transfers to other components of equity	-	503	-
3.5 Other decreases	-	1,207	-
4. Closing balance	(19,099)	(14,146)	-

B.4 Valuation reserves for defined benefit plans: annual changes

	Internal funds	External funds	Provisions for employees severance pay	31 12 2025
Opening balance	(181)	(30,075)	(16,422)	(46,678)
Remeasurement of net defined benefit liability (asset):	(69)	-	962	893
Return on plan assets excluding interests	-	(8,828)	-	(8,828)
Actuarial gains (losses) arising from changes in demographic assumptions	(97)	(3,326)	(5)	(3,428)
Actuarially gains (losses) arising from experience adjustments	21	1,630	343	1,994
Actuarial gains (losses) arising from changes in financial assumptions	7	961	624	1,592
Changes in effect of limiting net defined benefit asset to asset ceiling	-	9,563	-	9,563
Gains (losses) on settlements	-	-	-	-
Others	5	-	(73)	(68)
Closing balance	(245)	(30,075)	(15,533)	(45,853)

Section 2 – Regulatory banking capital and ratios

See the information on own funds and capital adequacy contained in the public disclosure (Pillar 3).

Part G – Business combinations

Section 1 – Business combinations during the financial period

1.1 Business combinations

1.1.1 Transactions included in the scope of application of the international accounting standard IFRS 3 “Business combinations”

During the financial year, the Bank did not carry out any business combinations outside the Group.

Business combinations between entities under common control

During the financial year, the Bank did not carry out any business combinations involving companies within the Group.

Section 2 - Business combinations completed after the financial period

There are no transactions to report.

Section 3 – Retrospective adjustments

No retrospective adjustments are reported.

Part H - Related-party transactions

1 Compensation of key management personnel

	Board of Directors	Boards of Statutory Auditors	Other Managers with strategic responsibility	Total
Short term benefit (1)	1,285	216	5,223	6,724
Post retirement benefit (2)	-	-	143	143
Termination benefit (3)	-	-	-	-
Share based payments (4)	-	-	2,318	2,318
Other benefits (5)	-	-	2,267	2,267
Total 31 12 2025	1,285	216	9,951	11,452
Short term benefit (1)	1,216	216	4,559	5,991
Post retirement benefit (2)	-	-	98	98
Termination benefit (3)	-	-	1,044	1,044
Share based payments (4)	-	-	1,821	1,821
Other benefits (5)	-	-	1,234	1,234
Total 31 12 2024	1,216	216	8,756	10,188

(1) includes salaries and fringe benefits;

(2) includes employer contributions to pension funds;

(3) includes contractual indemnities payable upon termination of employment;

(4) includes the cost relating to share-based payments under the incentive scheme;

(5) includes variable remuneration under the incentive scheme.

In compliance with the instructions provided by accounting standard IAS 24 and in light of the current organisational structure, the Bank has opted for the disclosure scope to include not only the Directors, Statutory Auditors, the General Manager and the Deputy General Managers, but also other Key Management Personnel.

The information regarding remuneration policies is contained in the 'Remuneration Report pursuant to art. 123-ter of the Consolidated Law on Finance', available on the Bank's web site, which contains the following data:

- a detailed breakdown of compensation paid to the Administration and Control Bodies, General Managers and, in aggregate form, to Key Management Personnel;
- quantitative information on the remuneration of "Identified Staff";
- monetary incentive plans in favour of members of the Administration and Control Body, the General Managers, the Deputy General Managers and other Key Management Personnel;
- information on the equity investments of members of the Administration and Control Bodies, the General Managers and other Key Management Personnel.

In the financial year 2025, there was 1 termination of employment of executives.

2 Related-party transactions

In accordance with the provisions of Consob Resolution No. 17221 of 12 March 2010, as amended (hereinafter also the “Consob Regulation” or “Consob Regulation No. 17221/2010”), Article 53 of the Consolidated Banking Law and its implementing provisions (Bank of Italy Circular No. 285/2013, Part Three, Chapter 11 “Risk activities and conflicts of interest with connected parties”), the “Committee for Related Party Transactions” was established, composed of between three and five independent directors, which performs the functions provided for in the Articles of Association and in the applicable laws and regulations governing transactions with related parties and connected parties.

The “*Group Directive concerning Management of regulatory obligations on related parties, associated parties and obligations of bank representatives*” (hereinafter the “Group Directive”), accompanied by the “*Group Regulation concerning Management of regulatory obligations on related parties, associated parties and obligations of bank representatives*” (hereinafter the “Group Regulation”), approved by the Board of Directors of the Bank, with the prior favourable opinions of the Committee for Related Party Transactions and the Board of Statutory Auditors, contains provisions and internal procedures on related parties, aligned with the provisions of the Consob Regulation in force. The Group Directive was most recently updated on 1 July 2025 to adapt to the current organisational structure of Banca MPS.

The Group Directive defines the organisational model adopted by the MPS Group (principles and responsibilities) for the management process of the prescriptive requirements regarding related parties, connected parties and obligations of the bank representatives and, in particular, governs, at the MPS Group level, the principles and rules for the control of risks arising from situations of possible conflict of interest with certain parties close to the decision-making centres of the Bank.

Within the Group Directive, the following is also defined:

- the formulation of the responsibilities assigned within the MPS Group (tasks and responsibilities of the top management bodies and corporate functions of the Bank and Subsidiaries);
- the scope of related parties, connected persons (hereinafter also referred to as the “Group Perimeter”), and other parties potentially in conflict of interest;
- the criteria for the identification of transactions, level of relevance of the transactions;
- the decision-making procedures and exemption cases;
- the internal policies in the area of control.

For the purpose of the Group Directive, significance is attributed to the transactions carried out with the subjects operating within the Group Scope which involve the performance of risk activities, the transfer of resources, services and obligations, regardless of the requirement of a consideration. With regard to the type of transactions, these are classified in detail in the aforementioned Group Regulations, as:

- **“most significant transactions”**: transactions where at least one of the following relevance indicators, applicable according to the specific transaction, exceeds the 5% threshold (greater relevance threshold):
 - *countervalue relevance index*: the ratio of the countervalue of the transaction to the total of the own funds resulting from the most recent published consolidated balance sheet;
 - *relevance index of the assets*: the ratio of the total assets of the entity to which the transaction refers, to the total assets of BMPS;
 - *relevance index of the liabilities*: the ratio of the total liabilities of the acquired entity to the total assets of BMPS;
- **“transaction of lesser relevance”**: transactions above the small amount and up to the large amount threshold; in the context of transactions of lesser significance, transactions in which the amount exceeds EUR 100.0 mln and up to the threshold of **greater significance** (significance index of the equivalent value) are considered to be of lesser significance as a “significant amount”, or, in the case of acquisitions, mergers and demergers for an amount equal to or less than EUR 100.0 mln, the significance index of the assets and/or liabilities is equal to or greater than the ratio of EUR 100.0 mln and own funds at a consolidated level;
- **“transactions of a negligible amount”**: transactions of EUR 250.0 thousand or less where the counterparty is a legal person; transactions of EUR 100,000 or less, where the counterparty is a natural person.

The provisions and procedures applicable to transactions with related parties, in the versions in force at the time, are published on the website www.gruppompis.it in the section “*Corporate Governance - Transactions with related parties*”.

The Bank’s Board of Directors formally resolved, as early as the 2016 financial year, to include the Ministry of Economy and Finance (hereinafter “MEF”) and the relevant directly and indirectly controlled companies within the scope of related parties on a discretionary basis pursuant to the provisions of the Group Directive, with the exclusion from prudential

regulation. Following completion of the Bank's precautionary recapitalisation procedure and the related acquisition by the MEF of the status of controlling shareholder from August 2017, the Bank, on 18 December 2017, received notification from the Supervisory Authority regarding the methods for the consequent application of limits to risk assets laid out in prudential regulations, pursuant to art. 53 of the Consolidated Law on Banking (TUB) and its implementing provisions (Bank of Italy Circ. 263/06, Title V, Chapter 5), through application to the Bank of the so-called "silo" approach for calculation of the reference limits.

As of 27 December 2024, the MEF acquired the status of shareholder with significant influence as a result of changes in the shareholding structure and in the composition of the Board of Directors of the Bank that took place in November and December 2024, respectively. The related-party disclosure as at 31 December 2025 takes into account the perimeter relating to the new classification of the MEF and therefore includes companies directly and indirectly controlled by the MEF and companies under joint control.

With reference to the MEF scope, the Bank has availed itself of the exemption provided by paragraph 25 of IAS 24 on the disclosure of transactions and balances of existing transactions with government-related entities. Among the main transactions carried out with the MEF and with companies controlled and associated by it, in addition to financing transactions, there are Government securities recorded in the portfolios "financial assets measured at *fair value* through other comprehensive income", for a nominal amount of 1,519.0 mln euro, "financial assets measured at *fair value* through profit and loss", for a nominal amount of EUR 1,840.4 mln, and "financial assets measured at amortised cost", for a nominal amount of EUR 8,047.8 mln.

The transactions carried out by the Bank with related parties during the 2025 financial year, which are more significant in terms of amount, are commented on below.

MEF related-party transactions

(i) Transactions with SACE S.p.A.

On 11 February 2025, the Credit Committee resolved to grant, *inter alia*, a loan of up to EUR 50.0 mln to customers of the Bank who are not related parties, as the Bank's share of a syndicated loan totalling EUR 355.0 mln, in which CDP S.p.A. also participates and which is backed by a SACE guarantee with coverage of up to 70%, equal to EUR 20.3 mln for the Bank's share.

In February and March 2025, transactions were concluded with SACE S.p.A., in favour of the Bank's customers not related parties, for the granting of SACE Futuro guarantees at 70%, securing medium/long-term credit lines for the respective maximum amounts guaranteed by SACE S.p.A., namely EUR 35.0 mln (with a guarantee of EUR 24.5 mln), EUR 30.0 mln (with a guarantee of EUR 21.0 mln) and EUR 30.0 mln (with a guarantee of EUR 21.0 mln).

During the first quarter of 2025, two insurance policies were finalised with SACE S.p.A., with coverage equal to 60% and 50% of the risk of non-payment, respectively, relating to documentary credit confirmation transactions in euros and US dollars, respectively, concluded by the Bank's customers with foreign banks, for a value of approximately EUR 10.2 mln and USD 11.3 mln, respectively.

On 13 June 2025 a transaction was concluded with SACE S.p.A., for the benefit of the Bank's customers classified as not related parties, involving the issue of a 60% SACE Guarantee securing a credit line of EUR 36.7 mln, as the Bank's participation in a syndicated loan guaranteed by SACE S.p.A. with a guarantee amount of EUR 22.0 mln.

In June 2025, several medium-to-long-term financing transactions were completed for the benefit of the Bank's clients, secured by a 70% SACE Guarantee under the "Growth Standard" guarantee agreement, as part of the initiatives under the DQSACEFUTURO2025 programme described above, consisting of: two transactions of EUR 15.0 mln each (with a SACE guarantee of EUR 10.5 mln), and other transactions of: EUR 20.0 mln (with a SACE guarantee of EUR 14.0 mln), EUR 21.0 mln (with a SACE guarantee of EUR 14.7 mln), and EUR 25.0 mln (with a SACE guarantee of EUR 17.5 mln).

During the second quarter of 2025, two insurance policies were finalised with SACE S.p.A., covering 50% of the non-payment risk, in relation to documentary credit confirmation transactions in US dollars concluded by the Bank's clients with foreign banks, for amounts of approximately USD 20.5 mln and USD 13.9 mln, respectively.

On 4 July 2025 and subsequently on 2 September 2025, the Credit Committee authorised, in favour of customers of the Bank not classified as related parties, respectively, the granting of signature credit facilities totalling EUR 50.0 mln and the confirmation of a documentary credit for EUR 50.8 mln, guaranteed by a SACE MPA policy (under the Master Participation Agreement), with coverage of 50% (approximately EUR 25.0 mln) and 30% (approximately EUR 15.0 mln), respectively.

On 12 August 2025, the Credit Committee authorised, in favour of customers of the Bank not classified as related parties, the granting of a medium-to-long-term loan of EUR 18.4 mln, as the Bank's share in a club deal totalling EUR 92.0 mln, with a 50% SACE guarantee providing partial coverage of certain loan lines.

On 19 September 2025 and subsequently on 22 October 2025, the following were authorised in favour of customers of the Bank not classified as related parties, respectively: (i) the granting of a loan of EUR 12.9 mln, as the Bank's share in a syndicated loan totalling EUR 38.7 mln, with SACE guarantee coverage of up to 25%; and (ii) the granting of a loan of EUR 10.0 mln, as the Bank's share in a syndicated loan totalling EUR 175.0 mln, with SACE guarantee coverage of up to 45.71%.

During the second half of 2025, 16 transactions were concluded with SACE S.p.A., for the benefit of customers of the Bank not classified as related parties, involving the issue of SACE Growth 70% guarantees exceeding EUR 10.0 mln, securing credit lines for their respective maximum amounts guaranteed by SACE S.p.A., totalling EUR 287.0 mln.

The above transactions fall within the scope of application of Consob Regulation no. 17221/2010, since SACE S.p.A. is a subsidiary wholly owned by the MEF.

On 17 June 2025, the Credit Committee resolved, in favour of customers of the Bank not classified as related parties, to subscribe to a syndicated loan of up to EUR 50.0 mln, as the Bank's share in syndicated credit lines totalling EUR 150.0 mln, in which CDP S.p.A. also participates with a EUR 20 mln share, backed by a SACE guarantee covering 70% of the Bank's share, equal to EUR 35.0 mln.

On 24 June 2025, the Credit Committee approved, in favour of clients of the Bank not classified as related parties, participation in a syndicated financing of up to EUR 25.0 mln, representing the Bank's share in syndicated credit lines totalling EUR 270.0 mln, in which CDP S.p.A. also participates with a EUR 28 mln share, and backed by a SACE guarantee covering at least 50% of the Bank's share.

On 4 August 2025, the Credit Committee authorised, in favour of customers of the Bank not classified as related parties, the granting of a medium-to-long-term loan of EUR 30.0 mln, as the Bank's share in a syndicated loan totalling EUR 129.8 mln, with 70% SACE guarantee coverage providing partial cover for certain loan lines, in which CDP S.p.A. also participates as co-financier together with Banco BPM S.p.A. and three other banks.

On 7 October 2025, the Credit Committee authorised, in favour of customers of the Bank not classified as related parties, as part of the ordinary review of credit facilities, the Bank's participation with a maximum commitment of EUR 15.0 mln in a syndicated financing totalling EUR 100.0 mln, in which CDP S.p.A. also participates with a 15% share, divided into the following credit lines: (i) refinancing totalling EUR 50.0 mln, with the Bank's share of EUR 8.8 mln and acquisition of a SACE Growth 70% guarantee, with a 5-year term; and (ii) refinancing of EUR 50.0 mln, with the Bank's share of EUR 6.2 mln and acquisition of a SACE Growth 70% guarantee, with a 5-year term.

On 24 October 2025, the Credit Committee authorised, in favour of customers of the Bank not classified as related parties, an increase from EUR 9.2 mln to EUR 17.6 mln in the Bank's share in a syndicated financing totalling EUR 63.6 mln, with a 6-year term, covered by a SACE Growth 70% guarantee, in which CDP S.p.A. also participates as co-financier.

The above transactions fall within the scope of application of Consob Regulation no. 17221/2010 due to the involvement of CDP S.p.A., a subsidiary of the MEF, as a syndicated participant or co-financier, and SACE S.p.A. (guarantor), a wholly-owned subsidiary of the MEF.

On 11 February 2025, the Credit Committee authorised, in favour of customers of the Bank not related parties, the participation of the Bank, up to a maximum of USD 140.0 mln, as a share of participation in a syndicated transaction of a total of USD 1.7 bn, usable as *Buyer's Credit* and aimed at the partial financing of two cruise ships commissioned to FINCANTIERI S.p.A., with CDP S.p.A. as co-financier, assisted, *inter alia*, by a SACE S.p.A. insurance policy covering 100% of the financing and with the intervention of SIMEST S.p.A. for the purposes of any stabilisation of the interest rate. The transaction falls within the application of Consob Regulation no. 17221/2010 due to the role of: (i) CDP S.p.A., a subsidiary of the MEF, as co-lender; (ii) SACE S.p.A., a wholly-owned subsidiary of the MEF, as guarantor in the insurance policy issuance; (iii) SIMEST S.p.A., a direct subsidiary of CDP S.p.A., which is in turn controlled by the MEF, as a participant for the purposes of any interest rate stabilisation, and (iv) FINCANTIERI S.p.A., a subsidiary of CDP Equity S.p.A., which is controlled by CDP S.p.A., in turn controlled by the MEF.

On 27 March 2025, the Board of Directors, with the favourable opinion of the Related Party Transactions Committee, resolved to approve a major transaction relating to the approval of a framework resolution amounting to EUR 1.0 bn for the Bank's operations with SACE S.p.A. ("DQSACEFUTURO2025"), aimed at obtaining financial guarantees issued by SACE under the SACE Futuro 2025 Agreement (referred to by SACE as the "Growth Standard Guarantee Agreement"). This agreement has unified the operations envisaged by the "SACE Green New Deal 2024" and "Garanzia Futuro 2024" agreements, which ended their accumulation period on 31 March 2025. The SACE Futuro 2025 Guarantee covers 70% of

the financed amount as the maximum cumulative amount of the Futuro 2025 Guarantees issued by SACE, against the total amount of financing in the period of validity. The financing guaranteed by the SACE Futuro 2025 Convention is aimed at supporting the development of companies on global markets and of “made in Italy” in technological innovation and digitalisation processes, supporting investments in infrastructure, strategic supply chains and economically disadvantaged areas, in investment projects for the development of female entrepreneurship, with a particular focus on initiatives linked to the NRP. The DQSACEFUTURO2025 is valid for a period of 12 months from the date of subscription by the parties of the special terms and conditions applicable to the loans. It applies only to Banca MPS, not at Group level. The transaction falls within the scope of Consob Regulation no. 17221/2010 as SACE S.p.A. is a company wholly owned by the MEF and on 3 April 2025 the Information Document was published, drawn up pursuant to art. 5 of Consob Regulation no. 17221/2010, to which reference is made for further details.

On 29 July 2025, the Credit Committee authorised, in favour of customers of the Bank not classified as related parties, the granting of a medium-to-long-term loan of EUR 28.8 mln, as the Bank’s share in a syndicated loan totalling EUR 89.58 mln, with 70% SACE guarantee coverage. The transaction falls within the scope of application of Consob Regulation no. 17221/2010 due to the involvement of CDP S.p.A., a subsidiary of the MEF, as a participant in the syndicated loan together with Banco BPM S.p.A. and Mediocredito Centrale S.p.A., and SACE S.p.A. (guarantor), a wholly-owned subsidiary of the MEF.

(ii) Transactions with other MEF related parties

On 6 January 2025, the framework agreement was signed for management of the medical expense reimbursement programme for 2025 for the Bank’s employees in service and staff enrolled in the Bank’s Solidarity Fund, through an insurance policy with POSTE ASSICURA S.p.A., via CASPIE (a healthcare assistance fund registered in the Register of Healthcare Funds), for a maximum total value of EUR 31.6 mln.

On 17 December 2025, the Board of Directors authorised expenditure totalling EUR 28.9 mln and the related signing of the agreement for management of the medical expense reimbursement programme for 2026, for the benefit of Banca MPS employees in service and staff enrolled in the Banca MPS Solidarity Fund, through an insurance policy with POSTE ASSICURA S.p.A., via CASPIE (a healthcare assistance fund registered in the Register of Healthcare Funds).

The transactions fall within the scope of application of Consob Regulation no. 17221/2010 as POSTE ASSICURA S.p.A. is a subsidiary of Poste Italiane S.p.A., which is in turn controlled by the MEF.

On 4 June 2025, participation was authorised, in favour of customers of the Bank not classified as related parties, in a medium-to-long-term loan of EUR 32.1 mln, as the Bank’s share in syndicated credit lines totalling EUR 96.5 mln, in which CDP S.p.A. also participates with a EUR 32.1 mln share.

On 18 June 2025, as part of the placement of *Covered Bonds*, with a 5-year maturity, finalised by the Bank for a total amount of EUR 750.0 mln, CDP S.p.A. – pursuant to Art. 5, paragraph 8-ter of Italian Law Decree no. 269/2003, converted into Law no. 326/2003, in compliance with Art. 6, paragraph 1 letter b) of Italian Law Decree no. 102/2013 – subscribed this issue for an amount of EUR 180.0 mln. The residual amount was placed with other institutional investors.

On 15 July 2025, the Credit Committee authorised, in favour of customers of the Bank not classified as related parties, the subscription of a EUR 100.0 mln share in a syndicated transaction totalling EUR 1,716.0 mln, in which CDP S.p.A. also participates with a 7% share.

On 11 November 2025, the Credit Committee authorised, in favour of customers of the Bank not classified as related parties, the granting of a project financing loan of EUR 20.0 mln, as the Bank’s share in a syndicated financing totalling EUR 40.0 mln, equal to the participation share of CDP S.p.A.

As part of the placement of the first issue of Green Senior Preferred Unsecured bonds, with a maturity of 6 years and 3 months (maturity February 2032), completed by the Bank on 20 November 2025 for a total amount of EUR 500.0 mln, CDP S.p.A. subscribed a tranche of the issue for an amount of EUR 40.0 mln, the proceeds of which will be used to implement initiatives with a positive environmental impact, in compliance with the Bank’s Green, Social and Sustainability Bond Framework. The residual amount was placed with other institutional investors.

The above transactions fall within the scope of application of Consob Regulation no. 17221/2010 as CDP S.p.A. is a subsidiary of the MEF.

On 5 February 2025, the Board of Directors resolved in favour of SAIPEM S.p.A., as part of the ordinary review of credit lines: i) the increase from EUR 135.0 mln to EUR 175.0 mln of the existing mixed revolving credit line, usable up to the entire amount for the issue of Italian/foreign unsecured loans and for the release of documentary credit commitments; (ii) confirmation of the syndicated credit line with other credit institutions of EUR 650.0 thousand; (iii) the confirmation

of the without recourse risk limit line of EUR 2.5 mln; (iv) the participation of the Bank, with a maximum share of EUR 75.0 mln, in the revolving credit facility 2025 in syndicated for a total of EUR 600.0 mln. Subsequently, on 4 March 2025, the Credit Committee authorised: (i) the increase from EUR 175.0 to 204.0 mln of the aforementioned revocable mixed credit line in place; (ii) the reduction from EUR 75.0 to 46.0 mln of the Bank's shareholding in the aforementioned revolving credit facility 2025 for a total of EUR 600.0 mln. The transactions fall within the scope of Consob Regulation no. 17221/2010 as SAIPEM S.p.A. is indirectly a subsidiary of the MEF, through the companies ENI S.p.A. and CDP Equity S.p.A., which in turn are subsidiaries of the MEF.

On 11 February 2025, the Credit Committee authorised, in favour of ENEL S.p.A., the Bank's participation in a syndicated multi-borrower sustainability linked revolving credit facility, for a total amount between EUR 10.0 and 13.5 mln, with a duration of 5 years. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, as ENEL S.p.A. is a subsidiary of the MEF.

On 25 February 2025, the Credit Committee authorised the ordinary review of the credit facilities for a total of EUR 170.0 mln in favour of FERROVIE DELLO STATO S.p.A., with confirmation of the following credit lines: (i) a revocable mixed credit line of EUR 20.0 mln; (ii) *risk limit without recourse* of EUR 125.0 mln, applicable to third-party assignors, backed by insurance coverage equal to 95%, and (iii) *notional limit with recourse* of EUR 25.0 mln, payable to assignors subject to positive assessment and resolution. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since FERROVIE DELLO STATO S.p.A. is a wholly-owned subsidiary of the MEF.

Also on 25 February 2025, the Credit Committee authorised the ordinary review of credit lines in favour of ANAS S.p.A. for a total amount of EUR 205.0 mln; the operation involves the confirmation of the following existing credit lines: (i) EUR 120.0 mln usable through the opening of a current account credit; (ii) EUR 20.0 mln of signature credits, used for the issuing of a foreign guarantee; (iii) EUR 40.0 mln of without recourse risk limit credit, usable against third-party transferors and suppliers, and (iv) EUR 25.0 mln of notional with recourse risk limit. These transactions fall within the scope of application of Consob Regulation no. 17221/2010, since ANAS S.p.A. is a wholly-owned subsidiary of Ferrovie dello Stato S.p.A., in turn controlled by the MEF.

Also on 25 February 2025 the Credit Committee authorised the granting of a loan of up to EUR 30.0 mln to customers of the Bank who are not related parties, as the Bank's share of a syndicated loan totalling EUR 135.0 mln, in which CDP S.p.A. and Mediocredito Centrale S.p.A. also participate. The granting of the syndicated loan is subject to the granting of a 50% SACE guarantee. The transactions fall within the scope of application of Consob Regulation No. 17221/2010, both because the MEF is the majority shareholder of CDP S.p.A. and the indirect parent company of Mediocredito Centrale S.p.A. (a participant in the syndicated financing), and because SACE S.p.A. (the guarantor) is a wholly-owned subsidiary of the MEF.

On 4 March 2025, the Credit Committee authorised, in favour of two companies belonging to a client group of the Bank that is not a related party, the granting of two mortgage Loans for a total of up to EUR 30.0 mln, as the Bank's participation shares in two syndicated Loans for a total of EUR 143.4 mln, in which AMCO ASSET MANAGEMENT COMPANY S.p.A. also participates. The transaction falls within the scope of Consob Regulation No. 17221/2010 as AMCO ASSET MANAGEMENT COMPANY S.p.A. is a subsidiary of the MEF.

On 11 March 2025, the Credit Committee authorised, in favour of BIDCO SPARKLE S.p.A. (a company to be established), the participation of the Bank, with a maximum share of EUR 125.0 mln, in a *debt package* totalling EUR 675.0 mln, structured along the following lines: (i) term loan facility totalling EUR 450.0 mln, with the Bank's share equal to EUR 83.3 mln; (ii) capex facility totalling EUR 200.0 mln, with the Bank's share equal to EUR 37.0 mln; (iii) revolving credit facility for a total of EUR 25.0 mln, with the Bank's share amounting to EUR 4.6 mln. The transaction falls within the scope of Consob Regulation no. 17221/2010 as BIDCO SPARKLE S.p.A. (a company to be incorporated) will be a subsidiary with a 70% share held by the MEF.

On 18 March 2025, the Credit Committee authorised in favour of POSTE ITALIANE S.p.A., within the ordinary review of the credit facilities totalling EUR 120.0 mln: (i) confirmation of the mixed credit line for a total of EUR 20.0 mln that can be used for forward draws and the issuing of guarantees in Italy; (ii) new without recourse risk limit concession of EUR 30.0 mln to be paid to transferors subject to positive evaluation and resolution, supported by an insurance policy with coverage equal to 95% of the risk limit ceiling; (iii) a ceiling of EUR 70.0 mln for financial operations, as an internal operating limit. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since the MEF has a controlling interest in POSTE ITALIANE S.p.A.

On 27 March 2025, the Board of Directors authorised AUTOSTRADE PER L'ITALIA S.p.A., within the scope of the ordinary review of the contracts, to confirm, *inter alia*, the following contracts: (i) a mixed credit line of EUR 20.0 mln that can be used as a current account credit facility; (ii) *notional with recourse limit* of EUR 20.0 mln, to be drawn on transferors subject to positive evaluation and resolution; (iii) *without recourse risk limit* of EUR 20.0 mln, applicable to transferors subject to

positive assessment and resolution, backed by full insurance coverage. The transaction falls within the scope of Consob Regulation no. 17221/2010 as AUTOSTRADE PER L'ITALIA S.p.A. is indirectly controlled by CDP Equity S.p.A., which in turn is controlled by CDP S.p.A., the latter in turn controlled by the MEF.

On 24 January 2025, the ordinary review at par of good-till-cancelled credit facilities in favour of SO.G.I.N. S.p.A. was authorised with confirmation of the two mixed credit lines in place for a total of EUR 19.9 mln, which can be used for the issue of unsecured loans for EUR 18.9 mln and EUR 1.0 mln that can be used for forex hedging. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since SO.G.I.N. S.p.A. is a wholly-owned subsidiary of the MEF.

On 29 April 2025, the Credit Committee authorised, for the benefit of TERNA S.p.A., in the context of the regular review of credit lines, an increase in the *pro soluto risk limit plafond* from EUR 14.8 mln to EUR 30.0 mln, applicable to third-party assignors; the *risk limit plafond* is backed by an insurance policy providing full coverage and may be used jointly by TERNA S.p.A. and other entities included in its full consolidation scope. The transaction falls within the scope of application of Consob Regulation No. 17221/2010 as TERNA S.p.A. is indirectly controlled by CDP S.p.A., which is in turn controlled by the MEF.

On 29 July 2025, the Credit Committee authorised, in favour of INFRASTRUTTURE E TELECOMUNICAZIONI PER L'ITALIA S.p.A. ("INFRATEL S.p.A."), the ordinary review of credit lines with an increase in the credit facilities on the following terms: (i) extension and confirmation of the revocable credit line for large financial transactions of EUR 8.0 mln, usable both for term draws and for the payment of supplies, and (ii) the granting of a new unsecured loan of EUR 10.0 mln, with a 5-year term, aimed at the payment of trade and tax debt. The transaction falls within the scope of application of Consob Regulation no. 17221/2010 as INFRATEL S.p.A. is 100% controlled by Invitalia S.p.A., which is in turn wholly owned by the MEF.

On 29 September 2025, a current account credit facility was authorised in favour of the investment funds FOF PRIVATE DEBT ITALIA and FOF PRIVATE EQUITY ITALIA, of EUR 20.0 mln and EUR 35.0 mln, respectively, both valid until revoked. The transactions fall within the scope of application of Consob Regulation No. 17221/2010 because FOF PRIVATE DEBT and FOF PRIVATE EQUITY ITALIA, closed-end Italian alternative investment funds reserved for professional investors, are managed by Fondo Italiano di Investimento SGR S.p.A., which is 55% owned by CDP EQUITY S.p.A., a wholly-owned subsidiary of CDP S.p.A., which in turn is controlled by the MEF.

Also on 29 September 2025, the following were authorised in favour of HOTELTURIST S.p.A., as part of the ordinary review of credit facilities: (i) the increase from EUR 6.0 mln to EUR 8.0 mln of the revocable credit line, usable for the issuing of guarantees in Italy/abroad; (ii) the Bank's participation up to a maximum of EUR 10.0 mln in a syndicated financing totalling EUR 51.8 mln; and (iii) a credit line of approximately EUR 0.4 mln to hedge the interest rate risk relating to the new syndicated financing. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since HOTELTURIST S.p.A. is 45.95% owned by CDP Equity S.p.A., the latter in turn being wholly controlled by CDP S.p.A., which is in turn controlled by the MEF.

On 27 October 2025, authorisation was granted in favour of CONSIP S.p.A., as part of the ordinary review of credit facilities totalling EUR 10.6 mln, for confirmation of the EUR 10.0 mln credit line usable as a current account credit facility, and the risk limit credit line of EUR 0.6 mln for outright receivables purchase transactions, backed by a 95% guarantee. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since CONSIP S.p.A. is a wholly-owned subsidiary of the MEF.

On 5 November 2025, authorisation was granted in favour of SO.G.I.N. S.p.A., as part of the ordinary review of credit facilities totalling EUR 19.9 mln, for confirmation of the EUR 18.9 mln credit line, usable for the issuing of signature credits, and the EUR 1.0 mln credit line, usable for foreign exchange risk hedging transactions. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since SO.G.I.N. S.p.A. is a wholly-owned subsidiary of the MEF.

On 2 December 2025, the Credit Committee authorised, in favour of OPEN FIBER HOLDINGS S.p.A. the increase of the *without recourse risk limit ceiling* from EUR 50.0 mln to EUR 100.0 mln for factoring operations, applicable to assignors subject to positive assessment and resolution, with insurance coverage from a leading insurer and SACE BT. The transaction falls within the scope of application of Consob Regulation no. 17221/2010, since OPEN FIBER HOLDINGS S.p.A. is a subsidiary of CDP S.p.A., in turn controlled by the MEF.

On 16 December 2025, the Credit Committee authorised, in favour of FINCANTIERI S.p.A., as part of the ordinary review of credit facilities, the extension with confirmation and partial remodulation of the following credit lines totalling EUR 390.1 mln, with internal validity until December 2026: (i) a mixed credit line of EUR 70.0 mln usable for cash/signature, (ii) EUR 0.1 mln for the issuing of guarantees, (iii) a factoring without recourse risk limit ceiling of EUR 150.0 mln, (iv) a

factoring notional limit with recourse of EUR 50.0 mln, and (v) an operating limit for receivables purchase of EUR 120.0 mln. The transaction falls within the scope of application of the Consob Regulation no. 17221/2010 as FINCANTIERI S.p.A. is a company controlled by CDP Equity S.p.A., which is controlled by CDP S.p.A., in turn controlled by the MEF.

Also on 17 December 2025, the Board of Directors, having obtained the favourable opinion of the Committee for Related Party Transactions, authorised in favour of ENI S.p.A. the ordinary review of credit facilities totalling EUR 612.5 mln, with confirmation of the following credit lines: (i) a mixed revocable credit line of EUR 300.0 mln, usable up to the full amount for cash/signature transactions; (ii) an operating limit for revolving receivables purchase totalling EUR 240.0 mln; (iii) confirmation of the factoring without recourse risk limit ceiling of EUR 62.5 mln, backed by full insurance coverage, usable by companies belonging to the ENI Group; and (iv) a factoring notional limit with recourse of EUR 10.0 mln. The overall transaction falls within the scope of application of Consob Regulation no. 17221/2010 as ENI S.p.A. is a subsidiary of the MEF.

(iii) Transactions with other related parties

On 8 May 2025, the Board of Directors, having obtained the favourable opinion of the Related Party Transactions Committee, resolved in favour of IMMOBILIARE NOVOLI S.p.A. and its subsidiary SANDONATO S.r.l, **both belonging to the GRUPPO NOVOLI, to approve the Bank's adherence to a Restructuring Agreement ("Agreement") pursuant to Article 56 of the Italian Corporate Crisis and Insolvency Code ("CCII"), proposed by the GRUPPO NOVOLI in implementation of the 2025-2028 Industrial Plan ("Plan"), following a negotiated crisis settlement procedure pursuant to Article 12 et seq. of the CCII. The financial manoeuvre for adherence to the aforementioned Agreement provides for the Bank to waive a portion of its receivable for a total of EUR 10.0 mln, with provision for the distribution of earn-out at the end of the Plan, as full compensation for the written-off receivable. The Bank's total exposure subject to the restructuring plan amounts to EUR 80.9 mln.** The transaction falls within the scope of application of Consob Regulation No. 17221/2010, as IMMOBILIARE NOVOLI S.p.A. is a joint subsidiary of the Bank, which holds a 50% stake in its share capital, and SANDONATO S.r.l. is a wholly owned subsidiary of the aforementioned IMMOBILIARE NOVOLI S.p.A.

On 17 December 2025, the Bank's Board of Directors, with the favourable opinion of the Related Party Transactions Committee, approved the conclusion of a transaction with Fabrica Immobiliare SGR S.p.A., to be carried out in 2026 through the assignment to the Bank of an arranging mandate to define the financial structure of the transaction and the granting of a medium-to-long-term mortgage loan of approximately EUR 50.8 mln (together with a related credit facility for derivatives used to hedge the interest rate on the loan itself). The overall transaction falls within the scope of application of Consob Regulation no. 17221/2010, as Fabrica Immobiliare SGR S.p.A. (a related party), which operates with the beneficiary counterparty to the transaction (customers of the Bank not classified as related parties), is controlled by Cav. Lav. Ing. Francesco Gaetano Caltagirone, in his capacity as influential shareholder of BMPS pursuant to art. 53 of the Consolidated Banking Law (TUB) and as a discretionary Consob related party pursuant to Consob Regulation no. 17221/2010, who is in turn a close family member of Dr Alessandro Caltagirone, a Director of the Bank.

(iv) Transactions with subsidiaries

With regard to the transactions concluded with the subsidiaries MPS COVERED BOND S.r.l. and MPS COVERED BOND 2 S.r.l., within the *Covered Bond Programmes* of Banca MPS, please refer to the specific disclosure provided in the consolidated Notes to the financial statements - Part E - Information on risks and related hedging policies.

On 11 November 2025, the Credit Committee authorised, in favour of SELMABAPIEMME LEASING S.p.A. and in the interest of the Parent Company's customers, the issue by BMPS of an autonomous guarantee contract for EUR 15.0 mln, valid until 30 June 2036. The transaction falls within the scope of application of Consob Regulation no. 17221/2010 as SELMABAPIEMME LEASING S.p.A. is wholly owned by Mediobanca, which is in turn controlled by BMPS.

On 31 December 2025, the Bank accepted the binding offer from SELMABAPIEMME LEASING S.p.A. for the purchase by it from BMPS of a portfolio of performing leasing contracts (receivables and assets), with a residual debt as at 31 October 2025 of approximately EUR 800 mln, resulting in the classification, in BMPS's separate financial statements as at 31 December 2025, of the related performing leasing receivables (with a GBV of EUR 771 mln as at the same date) as non-current assets held for sale and disposal groups, pursuant to IFRS 5, and the consequent measurement at the expected disposal price; The bulk disposal of that portfolio pursuant to art. 58 of Italian Legislative Decree no. 385/1993 (the "TUB"), as approved by the Board of Directors, falls within the scope of application of Consob Regulation no. 17221/2010, as SELMABAPIEMME LEASING S.p.A. is wholly owned by Mediobanca, which is in turn controlled by BMPS.

With reference to the voluntary public tender and exchange offer (the “Offer” or “OPAS”) pursuant to articles 102 and 106, paragraph 4, of Italian Legislative Decree no. 58 of 24 February 1998, as amended (the “TUF”), promoted by Banca MPS for all the shares of MEDIOBANCA - Banca di Credito Finanziario Società per Azioni (“Mediobanca”), it should be noted that the Committee for Related Party Transactions considered that it had jurisdiction over the transaction based on an approach of maximum transparency and fairness, in view of the significance of the transaction, given that certain shareholders with significant stakes in Banca MPS exceeding 3% (Delfin S.a.r.l. and Cav. Lav. Ing. Francesco Gaetano Caltagirone), at that time classified as Consob “related parties” of BMPS on a discretionary basis, also held significant shareholdings in Mediobanca. Accordingly, the Committee issued its reasoned and binding opinion both on the substantive and procedural fairness of the Offer and, in particular, of the capital increase serving the OPAS (the “Initial Opinion”), and on the subsequent increase in the initial consideration of the Offer (the “Increase in Consideration”) with a cash component (the “Updated Opinion”).

Pursuant to art. 4.2.2 of the Group Regulation, the capital increase serving the Offer was classified as a “major transaction” and on 30 January 2025 the Information Document was published, drawn up pursuant to art. 5 of Consob Regulation no. 17221/2010; The Information Document updated following the Increase in Consideration was published on 1 September 2025.

For further information, please refer to the information documents mentioned above and made available to the public on BMPS’s website (<https://www.gruppomps.it/>).

The following tables summarise relationships and the economic effects of the operations carried out during the year with subsidiaries, joint ventures and associates, key management personnel, other related parties and the related-party perimeter relating to the MEF as the Bank's influential shareholder.

2.a Related-party transactions: balance sheet items

	Value as at 31 12 2025							% FS items
	Subsidiaries	joint venture	Associated companies	Executives with strategic responsibility	other related parties	MEF Scope	Total	
Current accounts and demand deposits with banks	2,430,718	-	-	-	-	-	2,430,718	97.12%
Financial assets held for trading	22,336	-	8,643	-	-	3,870,001	3,900,980	49.72%
Financial assets mandatorily measured at fair value	-	-	-	-	-	11,626	11,626	3.06%
Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	829,479	829,479	45.17%
Loans to banks measured at amortised cost	642,200	-	240	-	-	7,002	649,442	15.89%
Loans to customers measured at amortised cost	464,663	46,030	93,083	2,544	106,645	10,016,312	10,729,277	11.91%
Other assets	33,619	-	-	-	-	1,217,972	1,251,591	39.92%
Total assets	3,593,536	46,030	101,966	2,544	106,645	15,952,392	19,803,113	-
Financial liabilities measured at amortised cost	5,392,661	7,486	212,553	4,363	32,501	2,815,102	8,464,666	7.68%
Financial liabilities held for trading	1,238	-	594	-	-	149,203	151,035	5.25%
Financial liabilities designated at fair value	-	-	-	-	-	-	-	0.00%
Other liabilities	7,014	-	3,174	1	2	852	11,043	0.39%
Total liabilities	5,400,913	7,486	216,321	4,364	32,503	2,965,157	8,626,744	
Guaranties issued and Commitments	348,446	12,053	96,054	181	20,890	1,881,017	2,358,641	n.a.

2.b Related-party transactions: income statement items

	Value as at 31 12 2025							% FS items
	Subsidiaries	joint venture	Associated companies	Executives with strategic responsibility	other related parties	MEF Scope	Total	
Interest income and similar revenues	52,850	390	2,880	59	3,577	432,693	492,449	12.88%
Interest costs and similar charges	(117,367)	-	(1,427)	(64)	(279)	(52,354)	(171,491)	9.83%
Fee and commission income	7,907	86	204,205	8	24	21,248	233,478	13.57%
Fee and commission expense	(2,758)	-	(486)	(2)	(1)	(2,002)	(5,249)	3.07%
Dividend	414,443	-	30,011	-	-	3,702	448,156	96.61%
Net profit (loss) from trading			4,330			(145,594)	(141,264)	n.m.
Net profit (loss) from hedging						(128,721)	(128,721)	n.m.
Net profit (loss) from financial assets and liabilities measured at fair value through other comprehensive income	-	-	-	-	-	(3,415)	(3,415)	10.63%
Net adjustments/impairments	21	5,455	17	(1)	299	611	6,402	-2.33%
Operating costs	18,725	-	(1,673)	(11,725)	(24)	(17,367)	(12,064)	0.63%

For the list of subsidiaries, joint ventures and associates as at 31 December 2025, see the tables in the Notes to the financial statements – Part B Information on the balance sheet – Section 7. Securitisation transactions are described in Part E of the Notes to the financial statements.

As at 31 December 2025, transactions with subsidiaries mainly concern:

- reciprocal current accounts and deposits held with the subsidiary Widiba;
- loan transfer transactions to the special purpose vehicles MPS Covered Bond S.r.l. and MPS Covered Bond 2 S.r.l. under the two programs for the issue of covered bonds;
- outsourcing services related to the auxiliary activities provided by the Bank (administrative services and property administration and IT services).

Transactions with associates mainly refer to AXA Group companies and Assicurazioni Generali Group companies. In particular, it should be noted that financial assets and liabilities held for trading mainly relate to hedging activity on AXA Group insurance products distributed through the MPS network, as well as to the normal conduct of dealer activity in bond markets.

With regard to the balances in Table 2.b “Related-party transactions: income statement items” shown above, please note the following:

- Interest income and expenses relating to subsidiaries mainly derives from the above-mentioned positions held with Widiba;
- Fee and commission income from subsidiaries mainly derives from the financial services envisaged in the framework agreement entered into with MP Fiduciaria and from product distribution services and Mediobanca Group services; fee and commission income from associates is almost entirely attributable to the insurance investees Axa MPS Assicurazioni Vita S.p.A. and Axa MPS Assicurazioni Danni S.p.A.;
- Net impairment recoveries for credit risk mainly concern the joint subsidiary Immobiliare Novoli S.p.A. and its subsidiary Sandonato, which are subject to restructuring transactions;
- As regards subsidiaries, dividends relate to the dividend collected from the subsidiary Mediobanca in November 2025 amounting to EUR 414.3 mln, net of the interim dividend paid in May 2025 not pertaining to the Bank, and to EUR 0.1 mln from G.Imm.Astor; whereas as regards associates, dividends were collected from the associate AXA MPS Danni S.p.A. for EUR 30.0 mln;
- operating costs relating to associates mainly consist of insurance expenses with insurance affiliates as counterparts.

With regard to the MEF scope, note the following:

- financial assets (item 20, 30 and 40) are mainly represented by Government securities for a total of EUR 13,186.0 mln and generated interest income of EUR 305.0 mln;
- the other assets are represented by tax credits due from the tax authorities claimed by the Group for various reasons as a result of the measures introduced by different legislative provisions, of which EUR 1,175.0 mln relate to tax credits for construction bonuses purchased by the Bank, which had an impact of EUR 101.0 mln on the interest income item;
- financial liabilities measured at amortised cost mainly refer to deposits with the counterparty CDP for EUR 755.0 mln and Invitalia for EUR 920.0 mln, which impact interest expense by EUR 25.0 mln and EUR 11.0 mln, respectively;
- Fee and commission income mainly relates to the Bank’s support activity for auctions of Government securities placements;
- profit (loss) from other assets and liabilities measured at fair value through profit or loss mainly relate to capital losses on units of the Fondo Italiano di Investimento;
- operating costs are almost entirely attributable to postage and shipping costs.

Part I – Share-Based Payment Agreements

Qualitative Information

Description of share-based payments agreement

To pursue the objective of encouraging alignments of the interests of management with those of shareholders, Supervisory Provisions on remuneration and incentive policies and practices establish that at least 50% of variable remuneration provided to “identified staff” should be paid in the form of shares or associated financial instruments over a period of at least 4 years. “Variable remuneration” refers to both variable components linked to the performance or other parameters and amounts paid as incentives for the early termination of the employment relationship exceeding the amount due by law (“severance”).

In accordance with the aforementioned regulatory provisions, the MONTEPASCHI GROUP has adopted annual *phantom shares* plans in the financial years 2017, 2020, 2021, 2022, 2023 and 2024¹⁵⁸, and annual treasury shares plans in the financial years 2018 and 2019.

In the session of 17 April 2025, the Shareholders’ Meeting of the Bank approved for the 2025 financial year a Phantom Shares Plan, designated exclusively for the payment of any severance or variable incentive remuneration for the staff of the MONTEPASCHI GROUP. The contents and the operating procedures of these plans are included in the “Remuneration policies” posted on the web site of the Bank <https://www.gruppompis.it/corporate-governance/assemblee-azionisti/archivio-assemblee.html>.

The payment of *Phantom Shares* for the plans up to 2017 and for the plans from 2020 to 2025, not involving the actual assignment of shares but rather the settlement of an amount indexed to the share value as determined from time to time, is accounted for as a *cash settled share based payment* pursuant to IFRS 2 “Share-based payments”. The debt corresponding to the amounts to be recognised will be settled in cash and accounted for at the end of the year of service; the total amount will depend on the price of the instruments representative of the capital (*phantom shares*), which will be measured at *fair value*, calculated as the best estimate of the amount due in consideration of the different conditions established by the plans, valued with reference to the *fair value* of the shares assigned year by year and the value of the Bank’s shares. The estimate of the fair value of the share, at the measurement date, will not take into account any expected vesting conditions (e.g. condition of permanence in service or conditions for the achievement of results), except for market conditions. The vesting conditions should be taken into consideration by adjusting the number of assignments included in the assessment of the liability arising from the transaction; the market conditions (as with any other non-accrual-related conditions) should instead be considered in the estimate of the liabilities fair value arising from the transaction and of the related cost attributed to the Income Statement.

The 2018 and 2019 plans, providing for the assignment of shares of the Bank at the time of vesting of the vesting conditions, fall within the scope of application of the IFRS 2 accounting standard as equity-settled share-based payment, within which instruments representative of capital are assigned as a contra entry to a shareholders’ equity reserve. Within this scope, the severance cost set forth in the Plans and the corresponding increase in net equity are measured at the fair value of the shares that will be assigned; the estimate of the fair value of the share at the measurement date will not need to take into account any expected vesting conditions (e.g. condition of permanence in service or conditions for the achievement of results), except for market conditions. The vesting conditions should be taken into consideration by adjusting the number of financial instruments included in the measurement of the amount of the transaction so that the value recognised in the financial statements for the services received as a consideration for the financial instruments will be based on their number which, at the end, will actually be accrued; the market conditions should instead be considered in the estimate of the fair value of the assigned shares.

The fair value of the Phantom Shares and of the treasury shares assigned is determined – pursuant to art. 9, paragraph 4 of the Income Tax Act (TUIR) – on the basis of the arithmetic average of the MPS share prices reported in the thirty days leading up to the assignment date.

¹⁵⁸ It should be noted that, although the characteristics and operation remain unchanged, with a view to greater alignment with market practices, the name of the synthetic instrument was changed from “Performance Shares” (name used by the Bank until 2022) to “Phantom Shares”.

Quantitative Information

With reference to the 2023 plan, in relation to amounts to be paid as severance, as at 31 December 2025, of the original no. 44,998 phantom shares, the Bank liquidated during the year no. 30,823 of these for a countervalue at the settlement date of EUR 0.2 mln. Accordingly, 14,174 remain to be paid in accordance with the terms and procedures set out in the deferral plan signed upon the early termination of the employment relationship between an executive and the Bank.

Also with reference to the 2023 plan, in relation to amounts to be paid under the 2023 incentive scheme, 479,609 phantom shares remain for a countervalue as at 31 December 2025 of EUR 4,019,067.40 the disbursements of which will take place in accordance with the signed deferral plans, differentiated according to the relevant PPR cluster.

With reference to the 2024 plan, in relation to amounts to be paid as severance, as at 31 December 2025, 68,987 phantom shares remain for a countervalue, as at 31 December 2025, of EUR 0.6 mln, the disbursements of which will take place in accordance with the terms and procedures set out in the deferral plans signed upon the early termination of the employment relationship between two executives and the Bank.

Also with regard to the 2024 plan, 308,038 phantom shares were utilised, for an amount as at 31 December 2025 of EUR 2.6 mln, intended for the payment of the incentive system pertaining to the 2024 financial year, the disbursements of which will be made in accordance with the procedures set out in the signed deferral plans and differentiated according to the PPR cluster of membership.

With reference to the "cash-settled" 2017, 2020, 2021 2022 plans and the "equity settled" 2018 and 2019 plans, it should be noted that neither equity instruments nor shares were ever allocated, respectively, due to failure to meet the vesting conditions. Therefore, these plans have never entailed accounting entries and are therefore not represented in the Financial Statements as at 31 December 2025.

Part M - Leasing Information

Section 1 – Lessee

Qualitative Information

In the capacity of lessee, the Bank stipulates lease agreements of properties to be primarily used for business. Therefore, these leased properties are used as branches and as spaces intended to accommodate ATMs or internal offices.

The leasing activity also includes the stipulation of leasing agreements related to residential property used by employees during transfers to other work locations.

At present, the Bank's leasing activity is also aimed at the need to relocate branches and offices. Particular attention is paid to the identification of the properties that are more suitable for the intended use, in line with the cost effectiveness criteria set forth by the company.

As at 31 December 2025, the Bank has 975 contracts in place as lessee.

In addition, the Bank has contracts relating to motor vehicles, mainly referring to long-term leases of company cars and fringe benefits for employees. In view of the marginal relevance of the aforementioned *leasing* contracts in relation to the values of the assets consisting of rights of use recognised in the Financial Statements as a whole pursuant to IFRS 16, no further *disclosure* is provided on this type of contract.

The Bank is not generally exposed to cash outflows not included in the liabilities for leasing. The exposures deriving from extension options are included in the liabilities for *leasing* since, in order to provide business continuity to the branch offices, the Bank considers the first renewal to be certain, except in special cases. The contracts provide for the updating of the rent on the basis of the ISTAT index. No contracts entered into as lessee falls into the other categories referred to in the standard (residual value guarantees, commitments on leases not yet operational).

The Bank recognises as costs:

- short-term leases in the case of assets such as properties and technologies when the related contracts have a maximum term of twelve months and do not provide for any extension options.
- leases of low-value assets, i.e. characterised by a new value of less than EUR 5 thousand, mainly relating to mobile telephony.

Quantitative Information

In Part B - Assets of the Notes to the Financial Statements, information is provided on rights of use acquired through *leasing* (Table 8.1 - property, plant and equipment used in the business: breakdown of assets valued at cost and Table 8.6 a - property, plant and equipment used in the business - rights of use acquired through leasing: annual changes) and in Part B - Liabilities, lease liabilities are shown (Table 1.1 - Financial liabilities measured at amortised cost: breakdown of amounts due to banks, Table 1.2 - Financial liabilities measured at amortised cost: breakdown of due to customers).

In particular, as at 31 December 2025, rights of use acquired through leasing amount to EUR 168.8 mln (EUR 148.1 mln as at 31 December 2024), of which EUR 163.8 mln relate to property leasing (EUR 147.7 mln as at 31 December 2024). Lease payables amount to EUR 175.7 mln (EUR 154.6 mln as at 31 December 2024). Please refer to the above sections for more details.

Part C of the Notes to the Financial Statements contains information on interest expense on Lease payables and other expenses relating to rights of use acquired under leasing and income from sub-leasing. Please refer to those sections for more details.

The following table shows amortisation costs for the assets comprising the right of use, broken down by the underlying asset class.

item	31 12 2025	31 12 2024
Depreciations on right of Use acquired through leasing	35,565	39,335
a) land	-	-
b) buildings	34,521	38,362
c) furniture and furnishings	-	-
d) electronic systems	99	-
e) other	945	973

Section 2 – Lessor

Qualitative Information

The Bank enters into, in its capacity as lessor, lease contracts for properties for commercial and residential use.

The properties for business use are leased to both third parties and to intragroup companies. In the latter case, the subject matter of the contracts is the properties and spaces that house the administrative offices of the companies of the Group.

As regards the properties for residential use, these are primarily owned flats leased to third parties.

The contracts for residential use generally have a duration of 4+4 years, while those for business use a duration of 6+6 years.

For the most part, active leases, excluding those granted to Group companies, are primarily protected by the payment of a security deposit or surety bond by the tenant, as required by current legislation. This amount can be used to repair any damage that the tenant may cause.

In addition to this, the Bank does not apply specific contractual clauses with a view to managing any risks associated with rights retained on the underlying assets.

The Bank also operates in the *financial* leasing market, stipulating contracts mainly for companies and offering products in the real estate, capital goods, vehicles, energy and aircraft sectors, using its own network and, at the same time, single-firm agents.

As at 31 December 2025, the Bank had approximately 8,264 contracts in its portfolio for a gross book value of EUR 1.166 mln, of which EUR 831.8 mln in the *real estate leasing* sector (1,479 contracts), EUR 176.9 mln in the capital goods sector (3,840 contracts), EUR 42.3 mln in the vehicle sector (2,648 contracts), EUR 103.9 mln in the energy sector (231 contracts) and EUR 11.3 mln in the aviation sector (66 contracts). The value of the leasing contracts executed in 2025

amounted to EUR 22 mln (no. 69), down 91.8% from the previous year. The company's performance by segment in terms of volume shows a contraction compared to the previous year for real estate (-84.4%, -76.9 mln euro), for capital goods (-95.9%, -99.7 mln euro), vehicles (-94.8%, -61.2 mln euro), *energy* (100%, -8.4 mln euro) and aerospace (100%, -0.2 mln euro).

The Bank recognises *financial* leasing in compliance with the accounting standard IFRS 16 and classifies the transactions under financial assets measured at amortised cost.

Quantitative Information

1. Information on the balance sheet and income statement

Information on loans for leasing and assets transferred under operating leasing is provided, respectively, in Part B, Assets - Section 4 table 4.2 "Financial assets measured at amortised cost: breakdown of loans to customers" and underneath table 8.4 "Property, plant and equipment held for investment: breakdown of assets measured at *fair value*". For the information on interest income on loans for leasing and on other income from financial and business leasing, see, respectively, table 1.1 "Interest income and similar revenues: breakdown" and 14.2 "Other operating income: breakdown" contained in Part C.

2. Finance leases

2.1 Quantitative information - Financial leases

Time bands	31 12 2025	31 12 2024
	Total lease payments receivable	Total lease payments receivable
Up to 1 year	210,413	735,597
From 1 to 2 years	240,835	349,770
From 2 to 3 years	102,054	401,820
From 3 to 4 years	92,057	330,322
From 4 to 5 years	92,399	401,507
over 5 years	418,039	897,322
Total lease payments receivable	1,155,797	3,116,338
Reconciliation with investments	1,155,797	3,116,339
Not accrued gains	175,033	420,515
Unguaranteed residual values	174,522	421,373
Loans' impairments	177,959	360,761
Finance lease	806,241	2,274,450

The table shows the classification by time bands of payments to be received for leasing and the reconciliation between the payments to be received and the loans for leasing in the portfolio as at 31 December 2025. The amounts are not discounted (IFRS 16.94).

2.2 Other information

Financial lease agreements, executed with customers, allow for a risk management on the underlying assets in line with the policies of the Bank but they do not provide for repurchase agreements, guarantees on the residual value or variable payments.

3. Operating leases

3.1 Classification by time bands of payments to be received

Time bands	31 12 2025		31 12 2024	
	Year	Total lease payments receivable (excluding VAT)	Year	Total lease payments receivable (excluding VAT)
Up to 1 year	2025	6,879	2024	7,286
from 1 to 2 years	2026	6,835	2025	7,036
from 2 to 3 years	2027	6,002	2026	6,854
from 3 to 4 years	2028	4,658	2027	5,966
from 4 to 5 years	2029	4,309	2028	4,973
over 5 years	from 2030	14,486	from 2029	22,496
Total		43,169		54,611

The table shows the classification by time bands of payments to be received for the *leasing*. The amounts of payments shown are not actualised.

3.2 Other information

No other information to report.

CERTIFICATION OF THE FINANCIAL STATEMENTS PURSUANT TO ART. 81-TER OF CONSOB REGULATION NO. 11971 OF 14 MAY 1999, AS SUBSEQUENTLY AMENDED AND SUPPLEMENTED

1. The undersigned, Luigi Lovaglio, as Chief Executive Officer, and Andrea Francesco Maffezzoni, as Financial Reporting Officer of Banca Monte dei Paschi di Siena S.p.A., also having regard to the provisions of art. 154-*bis*, paragraphs 3 and 4, of Italian Legislative Decree no. 58 of 24 February 1998, hereby certify:

- appropriateness with respect to the company's profile, and
- the effective application of the administrative and accounting procedures for the preparation of the separate financial statements during fiscal year 2025.

2. The verification of the adequacy and effective application of administrative and accounting procedures for the preparation of the separate financial statements during the 2025 financial year was based on methodologies defined by the MPS Group in line with the COSO models and, for the IT component, COBIT, which constitute reference frameworks for the internal control system generally accepted at an international level.

3. It is also certified that:

3.1 the separate financial statements:

- were prepared in accordance with the international accounting standards recognised by the European Union pursuant to European Parliament and Council Regulation No. 1606/2002 of 19 July 2002;
- are consistent with the underlying documentary evidence and accounting records;
- are suitable to provide a true and fair representation of the capital, economic and financial situation of the issuer.

3.2 the Report on Operations includes a reliable analysis of the trends and results of operations as well as of the position of the issuer, together with a description of the main risks and uncertainties to which it is exposed.

Siena, 10 March 2026

Signed by
On behalf of the Board of Directors
The Chief Executive Officer
Luigi Lovaglio

Signed by
The Financial Reporting
Officer
Andrea Francesco Maffezzoni

Independent Auditors' report on the financial statements



Independent auditor's report in accordance with article 14 of Legislative Decree 39/2010 and article 10 of Regulation (EU) 537/2014

To the Shareholders of

Banca Monte dei Paschi di Siena SpA

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Banca Monte dei Paschi di Siena SpA (the "Bank"), which comprise the balance sheet as of 31 December 2025, the income statement, statement of comprehensive income, statement of changes in shareholders' equity, cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Bank as of 31 December 2025, and of the result of its operations and cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and adopted by the European Union, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and article 43 of Legislative Decree 136/2015.

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 this report. We are independent of the Bank pursuant to the regulations and standards on ethics and independence applicable to audits of financial statements

PricewaterhouseCoopers SpA

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under Italian law. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the 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.

Key audit matters	Auditing procedures performed in response to key audit matters
Valuation of loans to customers measured at amortised cost Notes to the financial statements: Part A – Accounting policies; Part B – Information on the balance sheet, Section 4 – Financial assets measured at amortised cost - Item 40; Part C – Information on the income statement, Section 8 – Net impairment (losses) /reversals for credit risk - Item 130; Part E – Information on risks and hedging policies, Section 1 – Credit risk. Loans to customers as at 31 December 2025 represent the predominant part of line item 40 b) “Financial assets measured at amortised cost – loans to customers” which shows a balance equal to Euro 90,120 million, corresponding to 62 per cent of the total assets of the financial statements. Net impairment losses on loans to customers recognised in the year amounted to Euro 272 million (line item 130 a) in the income statement).	In performing the audit, we considered the internal control system relevant to the preparation of the financial statements in order to design audit procedures that were appropriate in the circumstances. In order to address this key audit matter, the following main activities were performed also with the support of the PwC network experts: • understanding, evaluation and verification of the operating effectiveness of relevant controls over the IT systems and applications used; • understanding and evaluation of the design of controls as part of the monitoring, classification and valuation of loans and testing of the operating effectiveness of such key controls; • understanding and verification of the appropriateness of policies, procedures and models used to measure the significant increase in credit risk, for the allocation of the portfolios to the various risk stages and for measuring the expected loss both on an individual and collective basis, taking also

Key audit matters	Auditing procedures performed in response to key audit matters
Special attention was paid to the valuation of the above-said loans as part of the audit because of the materiality of the value of loans in relation to the financial statements, as a whole, as well as because the related impairment losses consist of estimates made by the directors which incorporate elements of subjectivity and complexity related to the complex valuation processes, methods and assumptions utilised. The use of significant assumptions in the estimation processes specifically regards, not only the verification of the significant increase in credit risk for the allocation of the portfolios to the various risk stages, also the determination of parameters used in the models to calculate the expected loss on a collective basis and, for loans being assessed on an individual basis, the estimation of the expected future cash flows, related timing and the realisable value of the underlying guarantees, if any. Furthermore, these estimation processes were also impacted by the change and update of the management overlays which were required to take into account, <i>inter alia</i>, any potential worsening of credit risk linked to the current and future economic and financial risks and uncertainties, including climate-environmental and geopolitical risks that are not currently factored in the models in use, also considering the changed macroeconomic context.	into account the results of back testing implemented by the Bank; • understanding and verification of the methods used to determine the main estimation parameters in the context of the models used to measure the expected loss on a collective basis, taking into account the adjustments made during the year to the models already used. As part of this, we also verified the methods to determine management overlays, , in order to assess their reasonableness, which were required, inter alia, to take into account any potential worsening of credit risk linked to the current and future economic and financial risks and uncertainties, including climate-environmental and geopolitical risks that are not currently factored in the models in use, also considering the changed macroeconomic context; • verification, on a sample basis, of the reasonableness of the classification among performing loans (stage 1 and stage 2) and non-performing loans (stage 3) based on the available information on the status of the borrower and other pieces of information available, including external information; • verification of the correct application of the measurement criteria established for loans classified as performing (stage 1 and stage 2), of the completeness and accuracy of the model input data used to determine the expected loss on a collective basis; • with specific regard to non-performing loans (stage 3) assessed on an individual basis, taking into account the financial statement classification according to the categories under the applicable regulatory framework and the currently assumed recovery scenarios (sale or internal recovery), we

Key audit matters	Auditing procedures performed in response to key audit matters
	checked, on a sample basis, the reasonableness of the assumptions made to estimate the expected loss with particular reference to the identification and quantification of the expected future cash flows from the recovery activities, to the evaluation of the guarantees backing these exposures and to the estimate of the recovery times; • for non-performing loans valued on a collective basis, we verified the correct determination of the main estimation parameters within the model used, as well as the completeness and accuracy of the model input data; • benchmark analysis procedures on the customer loan portfolio and related coverage levels and analysis of the most significant fluctuations, taking into consideration loss forecasts within and outside the Bank (such as the Financial Stability Report issued by the Bank of Italy) and discussing the most significant changes and the elements characterizing the loan portfolio with management; • critical reading of the minutes of the corporate governance bodies and the correspondence with the Supervisory Authorities; • performance of audit procedures on subsequent events as at the reporting date; • acquisition of specific written representations from management; • check of the completeness and adequacy of the disclosures provided in accordance with the provisions of international accounting standards, the applicable regulatory framework, as well as with the notices and recommendations issued by the Supervisory Authorities.

Key audit matters	Auditing procedures performed in response to key audit matters
Recoverability of deferred tax assets Notes to the financial statements: Part A – Accounting policies; Part B – Information on the balance sheet, Section 10 – Tax assets and liabilities – Item 100 of assets and item 60 of liabilities; Part C – Information on the income statement, Section 19 – Tax (expense)/recovery on income from continuing operations – Item 270. As of 31 December 2025, the Bank recorded Euro 3,359 million in the asset line item 100 “Tax assets” for net deferred tax assets (“DTA”) related to tax losses that cannot be converted into tax credits and other deductible temporary differences, whose recoverability depends on the availability of taxable income in the future. The line-item 270 of the income statement “Tax (expense)/recovery on income from continuing operations” amounted to Euro 1,056 million, largely due to the positive effect of the measurement of DTAs equal to Euro 1,590 million, arising from the full revaluation of DTAs relating to previous tax losses incurred and unrecognised in previous years. The assessment of the recoverability of these assets is a key audit matter because they are significant in value with respect to the financial statements, taken as a whole, and because their valuation is based on an estimation process (probability test), which entails using assumptions and parameters, considering their very nature, that include a high degree of subjectivity. Specifically, following the acquisition of the Mediobanca Group that occurred during the year and the subsequent participation of the related Italian companies in the tax consolidation	In performing the audit, we considered the internal control system relevant to the preparation of the financial statements in order to design audit procedures that were appropriate in the circumstances. Specifically, in order to address this key audit matter, the following main activities were performed, also with the support of the PwC network experts: • understanding of the new scope of the companies participating in the tax consolidation mechanism in light of the Italian companies of the Mediobanca Group entering such scope; • understanding and evaluation of the process and methodology adopted by the directors to carry out the probability test; • check of the consistency of the methodology adopted with the provisions of the applicable international financial reporting standard, taking into account professional practices, as well as the notices and recommendations of the Supervisory Authorities; • assessment, including through a check of external data, where available, of the reasonableness of the main qualitative and quantitative assumptions (revenue flows, discount and growth rates) and of the different types of deductible temporary differences based on the applicable tax legislation, used to prepare the probability test; • analysis of the reasonableness of the prospective income statement projections used by the Bank for the preparation of the probability test; • verification of the mathematical accuracy of calculations underlying the probability test

Key audit matters	Auditing procedures performed in response to key audit matters
mechanism of the MPS Group, effective from the 2026 tax period, the aforementioned estimation process was based on prospective income statement projections available at the reporting date processed by combining the 2024-2028 and 2025-2028 Business Plans approved by the Board of Directors of the Bank on 5 August 2024, and by the Board of Directors of Mediobanca – Banca di Credito Finanziario S.p.A. on 26 June 2025, respectively. The recoverability of deferred tax assets was assessed considering, among other things, (i) the determination of taxable income that is expected to be realised in the time-period considered for the recovery of DTAs, (ii) the growth rates used for the projection of future taxable income and the probability that there will be future taxable income, (iii) the extent of the foreseeable time-period for the recovery of DTAs, (iv) the correct interpretation of the applicable tax legislation. In addition, the Bank notes out that a similar assessment performed on the basis of the new net income projections included in the 2026 – 2030 Business Plan approved by the Board of Directors of the Bank on 26 February 2026, would have resulted in the same accounting effects.	and the correctness of the calculations performed; • critical reading of the minutes of the corporate governance bodies and the correspondence with the Supervisory Authorities; • acquisition of specific written representations from management; • check of the completeness and adequacy of disclosures provided by the directors in the notes to the financial statements in accordance with international financial reporting standards and the applicable regulatory framework, as well as with the notices and recommendations issued by the Supervisory Authorities.

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, as well as with the regulations issued to implement article 9 of Legislative Decree 38/2005 and article 43 of Legislative Decree 136/2015 and, in the terms

prescribed by law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are responsible for assessing the Bank's ability to continue as a going concern and, in preparing the financial statements, for the appropriate application of the going concern basis of accounting, and for disclosing matters related to going concern. In preparing the financial statements, the directors use the going concern basis of accounting unless they either intend to liquidate the Bank or to cease operations or have no realistic alternative but to do so.

The board of statutory auditors is responsible for overseeing, in the terms prescribed by law, the 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 the financial statements.

As part of our audit conducted in accordance with International Standards on Auditing (ISA Italia), we exercised our professional judgement and maintained professional scepticism throughout the audit. Furthermore:

- We identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error; we designed and performed audit procedures responsive to those risks; we obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- We obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Banks's internal control.
- We evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- We concluded on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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.
- We evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identified during our audit.

We also provided those charged with governance with a statement that we complied with the regulations and standards on ethics and independence applicable under Italian law and communicated with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate the related risks, or safeguards applied.

From the matters communicated with those charged with governance, we determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We described these matters in our auditor's report.

Additional disclosures required by article 10 of Regulation (EU) 537/2014

On 11 April 2019, the shareholders of Banca Monte dei Paschi di Siena SpA engaged us to perform the legal audit of the stand-alone and the consolidated financial statements for the years ending 31 December 2020 to 31 December 2028.

We declare that we did not provide any prohibited non-audit services referred to in article 5, paragraph 1, of Regulation (EU) 537/2014 and that we remained independent of the Bank in conducting the statutory audit.

We confirm that the opinion on the financial statements expressed in this report is consistent with the additional report to the board of statutory auditors, in its capacity as audit committee, prepared pursuant to article 11 of the aforementioned Regulation.

Report on compliance with other laws and regulations

Opinion on compliance with the provisions of Commission Delegated Regulation (EU) 815/2019

The directors of Banca Monte dei Paschi di Siena SpA are responsible for the application of the provisions of Commission Delegated Regulation (EU) 815/2019 concerning regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the “Commission Delegated Regulation”) to the financial statements as of 31 December 2025, to be included in the annual report.

We have performed the procedures specified in auditing standard (SA Italia) 700B in order to express an opinion on the compliance of the financial statements with the provisions of the Commission Delegated Regulation.

In our opinion, the financial statements as of 31 December 2025 have been prepared in XHTML format in compliance with the provisions of the Commission Delegated Regulation.

Opinions and statement in accordance with article 14, paragraph 2, letters e), e-bis) and e-ter) of Legislative Decree 39/2010 and with article 123-bis, paragraph 4, of Legislative Decree 58/1998

The directors of di Banca Monte dei Paschi di Siena SpA are responsible for preparing a report on operations and a report on the corporate governance and ownership structure of di Banca Monte dei Paschi di Siena SpA as of 31 December 2025, including their consistency with the relevant financial statements and their compliance with the law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- express an opinion on the consistency of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998, with the financial statements;
- express an opinion on the compliance with the law of the report on operations and of the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998;
- issue a statement on material misstatements, if any, in the report on operations and in the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998.

In our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are consistent with the financial statements of Banca Monte dei Paschi di Siena SpA as of 31 December 2025.

Moreover, in our opinion, the report on operations and the specific information included in the report on corporate governance and ownership structure referred to in article 123-bis, paragraph 4, of Legislative Decree 58/1998 are prepared in compliance with the law.



With reference to the statement referred to in article 14, paragraph 2, letter e-ter), of Legislative Decree 39/2010, issued on the basis of our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Florence, 24 March 2026

PricewaterhouseCoopers SpA

Signed by

Marco Palumbo

(Partner)

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

REPORT OF THE BOARD OF STATUTORY AUDITORS TO THE GENERAL SHAREHOLDERS' MEETING CALLED TO APPROVE THE FINANCIAL STATEMENTS OF BANCA MONTE DEI PASCHI DI SIENA SPA, FOR THE YEAR ENDED ON 31 DECEMBER 2025, DRAWN UP IN ACCORDANCE WITH ARTICLES 2429, SECOND PARAGRAPH OF THE ITALIAN CIVIL CODE AND ARTICLE 153, FIRST PARAGRAPH OF ITALIAN LEGISLATIVE DECREE NO. 58 OF 24 FEBRUARY 1998

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Conclusions

Dear Shareholders,

During the financial year just ended, the voluntary total Public Exchange Offer promoted by the Bank on the shares of Mediobanca – Banca di Credito Finanziario Spa was successfully completed.

At the conclusion of that transaction – at the end of the offer period on 22 September 2025 – a total of 702,222,059 shares, representing approximately 86.3% of Mediobanca Spa's share capital, were tendered.

The Financial Statements of the Parent Company BMPS show a profit for the year of EUR 3,104.8 mln and shareholders' equity of EUR 28,022.0 mln, while the Group's Consolidated Report shows a profit of EUR 2,711.3 mln and consolidated shareholders' equity of EUR 30,209.7 mln, respectively, before the loss and equity attributable to non-controlling interests of EUR 4.4 mln and EUR 2,248.5 mln, as analytically shown in the documents you are called upon to approve.

The growing profitability and consolidated capital solidity of your Bank, which is among the leading institutions in the sector, enable the distribution of profits in excess of EUR 2.6 bn.

* * *

With this Report, the Board of Statutory Auditors reports in accordance with the law, following the instructions set forth in Consob Communication no. 1025564 of 6 April 2001 and subsequent amendments and additions and also taking into account the rules of conduct recommended by the National Council of Chartered Accountants and Accounting Experts (CNDCEC), in force from 1 January 2025.

This Report, referring to the separate financial statements, also takes into account certain aspects discussed more extensively in the consolidated financial report, for a more complete analysis.

As required by the regulations, the activity of the Board of Statutory Auditors also extended to the Sustainability Report, which is included in the Report on Operations to the Consolidated Financial Statements and is described in this Report in paragraph 4.

1. Activities of the Board of Statutory Auditors

Throughout the entire 2025 financial year, the Board of Statutory Auditors fulfilled its institutional duties by holding a total of 52 meetings, duly convened and constituted, safeguarding without exception compliance with any potential situations of conflict of interest.

From the beginning of the current financial year up to the date of filing of this Report, the Board of Statutory Auditors has held 23 meetings.

In 2025, the Board of Statutory Auditors also participated in the only Shareholders' Meeting, all 25 meetings of the Board of Directors and those of the Board committees, constituted and operating according to the reference regulations.

After the close of the financial year, the Statutory Auditors also attended the Shareholders' Meeting held on 4 February 2026, which was called to approve significant amendments to the By-Laws, as described in more detail in paragraph 6.4 of this Report.

On the occasion of the Board of Directors' meetings, the Statutory Auditors, inter alia, had the opportunity to review the reports containing the mandatory quarterly information required by law and the By-laws.

The Statutory Auditors also participated in the "*Board Induction*" training programme for all members (Directors and Statutory Auditors), organised with the support of the SDA Bocconi School of Management, on the following topics: "Geopolitics and risk: implications for the banking sector", "Risk culture: aligning strategy, leadership and compliance", "Sustainability challenges in the banking sector: environmental and climate risks", "Pillar 3 Public Disclosure – key findings", "Technology risk governance". "Digital transformation in banks: opportunities and challenges", "Cybersecurity in the banking sector", "How a banking IT system works" and "Artificial Intelligence in the banking sector".

When expressly indicated by rules, the Board of Statutory Auditors has issued the mandatory opinions. In addition, it has provided specific considerations, observations and comments and has formulated proposals on issues as required by Supervisory Authorities, both domestic and European (refer to paragraph 1.2).

At the aforementioned ordinary meetings of the Statutory Auditors, the Heads of the Control Functions and the senior managers of the other central structures of the Bank regularly attend to provide the necessary in-depth analysis of matters of specific interest to the Board of Statutory Auditors, and the information flows submitted periodically to the Control Body are addressed promptly.

In the context of its supervisory duties, particular attention has been paid by the Board of Statutory Auditors to the governance process adopted, in monitoring the MPS-Mediobanca Combination Programme, launched following the successful completion of the Public Exchange Offer (OPAS), aimed at achieving full strategic, industrial and operational integration between the two institutions, thereby creating the foundations for the definition of an Industrial Plan, on the basis of the new scope of the Group.

The Statutory Auditors also actively participated in the preparatory work for the definition of this Plan during 5 Off-site meetings held for this purpose.

Constant monitoring was carried out by the Control Body of the activities undertaken by the Supervisory Authorities, in particular with the process of following up on the SREP *Decision* notified by the ECB during the year and the consequent actions undertaken by the Bank.

Considerable efforts were devoted to monitoring the remedial actions identified and implemented by the competent Functions in order to achieve the concrete overcoming of the findings formulated by the Supervisory Authorities.

A similar and continuous follow-up was implemented on the timely and effective resolution of the gaps found by the Control Functions in the course of their own verification activities, duly and constantly reported to the Board of Statutory Auditors at agreed intervals.

During the financial year, meetings were also held between the Control Body and the Supervisory Authorities that conducted specific on-site inspections at the Bank.

Direct audits were also carried out, with the assistance of the Audit Function, which are described in more detail later in this Report.

The minutes of the Board of Statutory Auditors that give an account of the aforementioned activities, in relation to the various areas dealt with, were sent, when foreseen or deemed appropriate, to the attention of the Chairman of the Board of Directors and the Chief Executive Officer/General Manager also in his capacity as Director in charge of the internal control and risk management system and, for the aspects strictly within his competence, were also sent to the Chairmen of the board Committees.

For the purposes of supervising the financial reporting processes, the Board of Statutory Auditors regularly met with the Independent Auditors PricewaterhouseCoopers Spa (PwC), appointed for the nine-year period 2020–2028; with the latter to facilitate in particular the customary exchange of information provided for under Article 150 of Legislative Decree no. 58/98 (TUF) and with the Financial Reporting Officer, with whom the matters considered most relevant for the purposes of the accounting

audit activity were progressively examined in depth. The Control Body also monitored the overall process that led, during the year, to the identification of the new Financial Reporting Officer, Dr Andrea Maffezzoni (the Bank's Chief Financial Officer since 2022); this following the termination of the employment relationship with the previous holder of the role (Dr Nicola Clarelli).

As required by Article 151 of Italian Legislative Decree no. 58/98 and the Supervisory Instructions of the Bank of Italy, specific meetings were held with the Boards of Statutory Auditors of the main subsidiaries in order to proceed with the reciprocal exchange of information on the activities carried out as specified in paragraph 6.1.

There was a similar, proactive exchange of information with the Supervisory Board 231/01, which it met with regularly throughout the year for discussions on topics of reciprocal interest.

1.1 Result of the audit activities conducted directly by the Board of Statutory Auditors

Direct audits carried out by the Board of Statutory Auditors

As part of the overall activities carried out by the Board of Statutory Auditors to perform the supervisory tasks required by the reference regulations, the audits carried out during the year, mainly with the collaboration of the Internal Audit Function, as well as the other Control functions, are of major importance.

Specifically, these are audits falling within the broader context of the Audit Plan, which respond to the necessity of the Board of Statutory Auditors to directly investigate the issues that year by year are considered of greater importance and of primary interest.

For 2025, 13 audits were carried out, with the assistance of the Chief Audit Executive (CAE) Department, which allowed for an in-depth examination of specific areas, deemed particularly significant by the Board of Statutory Auditors, related to the following processes:

- **Credit** (no. 4): *Credit File Review* Performing Portfolio 1H25; *Credit File Review Unlikely to Pay* (UTP); Credit portfolio management – *Credit File Review* Performing Portfolio 2H25; System: *Early Warning System*;
- **Combating money laundering and terrorist financing** (no. 4): Bank of Italy letter dated 24 May 2024 on the state of the AML sector – Verification of the effectiveness of remedial measures taken (2nd tranche); Bank of Italy letter dated 24.5.24 on the state of the AML sector – Verification of the effectiveness of remedial measures taken (3rd tranche); AML – transactional monitoring and active collaboration; Bottom-up (AML);
- **ICT and Logical Security** (no. 2): ICT Asset Management governance and management – for BMPS; Verification of the framework for third-party ICT oversight;
- **Transparency** (no. 1): passive mortgage substitution;
- **Risk management and Finance** (no. 1): EMIR – Consob remediation plan;
- **Sustainability and ESG** (no. 1): Sustainability reporting (CSRD).

On the sidelines of the aforementioned audit activities, in line with the usual four-level rating scale with increasing criticality "R1-Green", "R2-Yellow", "R3-Orange" and "R4-Red", substantially positive judgements were given: "R1-Green" and "R2-Yellow", with reference 1 and 11 interventions, respectively. For a single engagement no grade was assigned, namely the one relating to the "Bank of Italy letter dated 24 May 2024 on the state of the AML sector – Verification of the effectiveness of remedial measures taken – 2nd tranche", where the attribution of a judgement was deferred to the

completion of the remedial measures and is indeed reflected in the last engagement of the same type, which related to the third tranche.

In line with 2024, the overall outcomes of audits of this type, carried out during the financial year under review, remain in the positive range of the assessment scale.

At the end of the above-mentioned audit activities, the elements of attention identified were appropriately shared with the respective *owner* Functions for the development of the ensuing remedial actions, which are subject to the usual monitoring activity by the Audit Function. The progress of these actions is also subject to systematic monitoring carried out by this Control body through the timely analysis of the specific reports prepared for this purpose and made periodically available (Quarterly reports, Execution plans of the gaps).

1.2 Mandatory opinions/clearances, considerations, comments/determinations and proposals issued by the Board of Statutory Auditors

The Board of Statutory Auditors has been asked to issue the following declarations that governing regulations and Supervisory provisions assign to its competence:

➤ *Activity carried out until the date of filing of the Report to the Financial Statements closed at 31 December 2024 (24 March 2025):*

Mandatory opinions/clearances:

- update of delegated powers pursuant to Article 36 of Italian Legislative Decree no. 231/2007, as amended, in the area of “notifications of suspicious transactions”;
- revision of the limits for transactions with Related Parties, as part of the broader Group Risk Appetite Statement (RAS) 2025 proposal;
- 2025 activity plan for the Audit function;
- compliance with the requirements for the continuous use of advanced credit risk management systems (AIRB) and operational risk management systems (AMA);
- report on ICAAP (Internal Capital Adequacy Assessment Process) and ILAAP (Internal Liquidity Adequacy Assessment Process);
- 2025 incentive scheme and phantom share-based award arrangements for the Chief Executive Officer and General Manager;
- Additional tasks entrusted to the Independent Auditors, pursuant to Regulation (EU) No. 537/14 and Legislative Decree No. 39/10, as amended, by Legislative Decree No. 135/16 connected with the Public Exchange Offer on Mediobanca Spa shares;
- approval of the 2024 bonus granted to the Chief Executive Officer and General Director.

Considerations:

- controls carried out by Internal Audit on the outsourced operating functions.

Comments/Determinations:

- controls carried out by the Compliance, Risk Management and Audit Functions regarding the provision of investment services to customers.

Proposals

- request submitted by the Independent Auditors to integrate the fee for additional and supplementary auditing activities with respect to the legal audit, as previously approved by the Shareholders' Meeting (new sustainability obligations introduced by the CSRD).

➤ *Activity carried out from the filing of the Report to the Financial Statements as at 31 December 2024 (24 March 2025) until 31 December 2025:*

Mandatory opinions/clearances:

- additional engagements conferred on the Audit Firm, pursuant to Regulation (EU) no. 537/14 and Legislative Decree no. 39/10, as amended, in connection with the Public Exchange Offer on Mediobanca Spa shares and with the additional activities for the verification of the sustainability statement;
- update of delegated powers pursuant to article 36 of Italian Legislative Decree no. 231/2007, as amended, in the area of “suspicious transaction reports”;
- appointment of the Financial Reporting Officer;
- organisational evolution of the Chief Risk Officer Department;
- review of the plan of activities scheduled for the Audit Function for 2025;
- plan aimed at returning within the regulatory limits set by the prudential legislation with regard to the Cassa Depositi e Prestiti position (“related party”).

Proposals

- request submitted by the Audit Firm for an increase in fees relating to audit activities additional to the statutory audit services previously approved by the Shareholders' Meeting.

➤ *Activity carried out from 1 January 2026 and until the date of filing of this Report:*

Mandatory opinions/clearances:

- activity plan of the Audit Function for 2026;
- compliance with the requirements for the continued use of advanced Internal Ratings Based (IRB-SRI) credit risk management systems;
- approval of the *bonus* 2025 relating to the role of the Chief Executive Officer and General Director;
- 2026 incentive scheme and phantom share-based award arrangements – for the Chief Executive Officer and General Manager;
- report on ICAAP processes (Internal Capital Adequacy Assessment Process) and ILAAP (Internal Liquidity Adequacy Assessment Process);
- revision of the limits for transactions with Related Parties, as part of the broader proposal on the Group Risk Appetite Statement (RAS) 2026.

Considerations:

- controls carried out by Internal Audit on the outsourced operating functions.

Comments/Determinations:

- controls carried out by the Compliance, Risk Management and Audit Functions regarding the provision of investment services to customers.

2. Observations on compliance with the principles of correct administration

The Board of Statutory Auditors carried out its supervisory activities to verify compliance with the principles of sound and prudent management, as well as to safeguard the integrity of the Bank's equity. The supervisory function was exercised by verifying the compliance of management activities with statutory legislation and the By-Laws, also in the light of the allocation of powers and the system of delegated authority, considered adequate in relation to the Bank's organisational structure, size and governance.

During the 2025 financial year, the Board of Statutory Auditors regularly obtained from the Directors – also through its participation in all meetings of the Board of Directors and all internal board committees to which the Bank adheres – all the necessary information, from Management information flows on the performance of operations and on significant transactions carried out by the Bank, and from the Control Functions the information flows on the control activities they have carried out.

On the basis of the information elements acquired, the Board of Statutory Auditors notes that the transactions in respect of which the Directors held interests were also resolved in compliance with the law, regulatory provisions, the By-laws, and internal regulations. Overall, the Control Body considers that the transactions carried out during the financial year comply with the legislation in force and the By-laws and do not appear to be such as to compromise the criteria of proper administration.

2.1 Significant transactions and events

The Board of Statutory Auditors exercised constant oversight over the most significant economic, financial, capital and strategic transactions carried out by the Bank.

In addition to the OPAS on Mediobanca shares already referred to, which is discussed in the dedicated paragraph 6.5, on the basis of the findings gathered in the exercise of its prerogatives, certain events of particular significance have been identified which characterised the 2025 financial year. These elements, which supplement the contents developed in other sections of this Report, are set out below in thematic and chronological order. For further details on the main management trends, reference is also made to the Group Report on Operations prepared by the Directors.

Rating assessment

During 2025, the credit quality profile of Banca Monte dei Paschi di Siena underwent a progressive strengthening, as attested by the leading international rating agencies. In particular, Moody's, Fitch Ratings and Morningstar DBRS upgraded the Bank's ratings in the second half of 2025, recognising the improvement in the Bank's earnings, capital and strategic outlook, including in relation to the extraordinary transaction involving Mediobanca.

Overall, the rating changes that occurred in 2025 represent the formal recognition of a structural change in the Bank's risk profile and its capacity to sustain adequate levels of capital and profitability over time, with a return to and consolidation within the investment grade area.

Residual Commitments Related to State Aid Received in 2017 and Later Revised in 2022

With regard to the obligations arising from the Commitments set out in the Restructuring Plan that were still in the completion phase during 2025, it is noted that the disposal transaction relating to the subsidiary MP Banque has been contractualised, while finalisation remains subject to authorisation from the competent Supervisory Authorities. With regard to the reduction of the leasing portfolio, the Issuer accelerated the deleveraging process through a coordinated series of measures which, during 2025, enabled the residual exposure to be brought into line with the targets set out in the Plan.

Following the final review of the status of implementation of the Commitments, on 4 March 2026 the Bank received notification that the commitments entered into by the Italian Republic on the occasion of the MPS capital increase in 2017, as last amended by the Commission decision of 2 August 2022, have been fully discharged and that, accordingly, the related monitoring procedure may be considered concluded.

Liquidity and Funding Strategy

With reference to the liquidity and funding profile of the Group, the Board of Statutory Auditors took note of the solidity of the liquidity position, underpinned by a funding strategy pursued with the objective of maintaining liquidity indicators at adequate levels, comfortably above regulatory requirements, while at the same time – in particular through public bond issuance programmes – ensuring compliance with MREL requirements.

The maturity profile of the MPS Group over the 2025–2027 time horizon is characterised primarily by refinancing transactions with the ECB which, as at 31 December 2025, totalled EUR 9 bn (EUR 3 bn of LTRO and EUR 6 bn of MRO). To these are added institutional maturities of approximately EUR 3.2 bn: EUR 2.7 bn in 2026 (EUR 1.1 bn of covered bonds and EUR 1.6 bn of senior unsecured) and EUR 0.5 bn in 2027 (senior unsecured), in addition to EUR 1.8 bn already matured in 2025.

In line with the funding plan and MREL targets, in 2025 the Bank carried out the planned issuances of senior instruments, covered bonds and Tier 2 subordinated instruments.

The Board of Statutory Auditors took note that the Group's funding policies and strategies, which are being revised following the inclusion of Mediobanca in the consolidation perimeter, will be precisely redefined within the new Industrial Plan, in line with the evolution of the business model, the risk profile and the relevant regulatory context.

Within this framework, the Control Body, in the exercise of its supervisory functions, will monitor the progress of the process for the definition and implementation of the funding strategy, requesting periodic updates from the relevant departments on the status of progress of the initiatives undertaken.

MREL Capacity

With reference to the minimum requirement for own funds and eligible liabilities (MREL), the MPS Group – net of the contribution of the Mediobanca Group and pending the definition of new MREL targets based on the updated perimeter – continues to apply the levels established by the Bank of Italy in its letter of 29 November 2024 (MREL Decision 2024).

As at 31 December 2025, the Parent Company is therefore required to comply, on a consolidated basis (ex MPS Group), with an MREL requirement equal to 23.59% of TREA (Total Risk Exposure Amount), to which is added the Combined Capital Buffer Requirement (CBR) equal to 3.27%, and a requirement equal to 6.43% in terms of LRE (Leverage ratio exposure measure). These levels are further supplemented by additional subordinated MREL requirements, to be met through own funds and subordinated instruments, equal to 13.99% of TREA – also to be increased by the CBR – and 6.43% of LRE.

As at the same date, the Group – excluding the contribution of the Mediobanca Group – presents values above the established requirements, namely:

- an MREL capacity of 29.44% of TREA and 10.48% of LRE;
- an MREL subordinated capacity of 23.26% of TREA and 8.28% of LRE.

On the basis of the indications received from the SRB, pending the definition and formal assignment of new Group MREL targets consistent with the current post-acquisition scope, MREL requirements will continue to be monitored on a standalone basis, i.e., on the basis of the MPS Group scope reconstructed excluding the Mediobanca acquisition.

Consequently, both MPS and Mediobanca must continue to ensure compliance with their respective applicable MREL requirements, as set out in the MREL Decision 2024, which remains in force and binding until notification of a new MREL Decision.

EBA Stress Test 2025

On 1 August 2025, the Montepaschi Group took note of the communication from EBA and the ECB regarding the EU-wide stress test in which the Bank participated.

The stress test, based on an adverse scenario defined by the ECB and ESRB for the three-year period 2025–2027, was conducted using a static balance sheet approach drawing on data from December 2024 restated in accordance with CRR3, and is intended to support the SREP process, enabling the Authorities to assess the Group's capacity to maintain adequate capital levels even under adverse macroeconomic conditions.

The exercise shows that the fully loaded CET1 ratio in 2027 stands at 22.93% in the baseline scenario and 16.83% in the adverse scenario, respectively an increase and a decrease relative to the figure of 19.40% recorded as at 31 December 2024 (restated CRR3). Both results are well above regulatory requirements and confirm the Group's capital strength, as well as its ability to generate capital in a sustainable manner, with positive performance in the baseline scenario and resilience also in the adverse scenario, notwithstanding the macroeconomic shocks assumed.

Capital adequacy

Following the revision of the SREP Decision 2024, carried out by the ECB taking into account both the outcomes of the SREP processes conducted on Banca MPS and on Mediobanca during 2025 and the results of the EBA Stress Test 2025, the Parent Company received the Authority's final decision regarding consolidated capital requirements. With effect from 1 December 2025, the Parent Company is required to maintain a TSCR level of 10.20%, composed of a Pillar 1 requirement of 8% and a P2R of 2.20%, while the Pillar 2 Guidance stands at 1%. The Capital Conservation Buffer of 2.5% and the Systemic Risk Buffer of 1% on risk-weighted exposures to residents in Italy (0.5% until 29 June 2025) also remain applicable.

For 2026, the Bank of Italy has identified the MPS Group as a national systemically important institution (O-SII), with the consequent obligation, from 1 April 2026, to maintain an O-SII buffer of 0.50% of total risk-weighted exposures.

The Board of Statutory Auditors notes that the regulatory capital ratios as at 31 December 2025, while lower than as at 31 December 2024 but still comfortably above the levels required by the Supervisory Authority, reflect the effects arising from the consolidation of the Mediobanca Group, whose impacts are attributable to: (i) the capital increase to service the OPAS; (ii) the provisioning of provisional goodwill pending completion of the purchase price allocation process (Purchase Price Allocation – PPA) as required by IFRS 3, which will be concluded by 30 September 2026; (iii) deductions relating to significant

investments in CET1 instruments of other financial entities and (iv) the consolidation of risk-weighted assets of the Mediobanca Group, including the effects of the aforementioned PPA.

Risk-weighted assets at year-end 2025 show, compared with 31 December 2024, a net increase of EUR 39.3 bn, mainly attributable to the consolidation of the Mediobanca Group's Risk-Weighted Assets - including the components arising from the PPA - for EUR 38.5 bn, while a reduction of EUR 2.3 bn was recorded in the operational risks of the former MPS Group as a result of the entry into force of Regulation (EU) 2024/1623 (CRR3).

The Board of Statutory Auditors notes that as at 31 December 2025 the Parent Company fully complies with all capital requirements, including the P2G, and presents a transitional leverage ratio of 6.23%, comfortably above the regulatory minimum of 3%.

Significant events after the close of the 2025 financial year

The significant events that occurred in the period between the end of the financial year (31 December 2025) and the date of approval of the consolidated financial statements by the Board of Directors (10 March 2026) are set out below. These events fall entirely within the category of "non-adjusting events" pursuant to IAS 10, i.e., events occurring after the reporting date that, while relevant for disclosure purposes, do not require adjustments to the accounting values already recorded, as they relate to conditions arising exclusively after the close of the financial year.

On 26 February 2026, the Board of Directors approved the 2026-2030 Industrial Plan, "From deep roots to new frontiers – A leading competitive force in the banking sector", which outlines a decisive strengthening of the Group's strategic positioning and structure, building on the transformation path undertaken in recent years and the integration with Mediobanca, with the objective of creating a leading, diversified and competitive banking group, characterised by solid levels of profitability, capital strength and greater returns for shareholders. More information on this is given in paragraph 6.5.

2.2 Intra-group transactions, with related parties, atypical or unusual transactions, and those falling within the obligations of banking representatives

The Bank strictly adheres to the regulations in force from time to time on related parties and connected persons, in order to oversee the risk that the proximity of such parties to decision-making centres might compromise the objectivity and impartiality of assessments relating to the granting of loans and the carrying out of further transactions with them.

Within the Group, such transactions are governed by the "Group Directive on the management of regulatory obligations regarding related parties, connected persons and obligations of banking representatives", as well as the "Group Regulation on the management of regulatory obligations regarding related parties, connected persons and obligations of banking representatives". Both documents were approved by the Board of Directors of the Parent Company, having obtained the prior favourable opinion of the Related Party Transactions Committee and of the Board of Statutory Auditors.

For the purposes of the Group Directive, transactions concluded with parties falling within the "Group Scope" are relevant if they involve the assumption of risk activities or the transfer of resources, services or obligations, regardless of whether consideration is provided.

In addition to Related Parties pursuant to Consob regulations – as defined by Regulation no. 17221/2010 – and Connected Persons pursuant to Bank of Italy regulations, the Group has also made provision, on a discretionary basis, for the inclusion within the Group scope of additional persons qualifying as Consob Related Parties or Bank of Italy Connected Persons.

In compliance with the instructions provided by accounting standard IAS 24 and in light of the current organisational structure, the Group also includes within the scope the Directors, Statutory Auditors, the

General Manager, the Deputy General Managers and the Key Management Personnel of the Parent Company.

The disclosure on related-party transactions as at 31 December 2025 was prepared also taking into account the scope arising from the classification of the MEF (Ministry of Economy and Finance) as a shareholder with significant influence. This classification was recognised with effect from 27 December 2024, following changes to the shareholder structure and to the composition of the Board of Directors of the Parent Company in November and December 2024. The scope therefore includes companies directly and indirectly controlled by the MEF, as well as companies subject to joint control.

In relation to the aforementioned scope, the Parent Company has availed itself of the exemption provided for in paragraph 25 of IAS 24 regarding disclosure of transactions and balances relating to dealings with government-related entities.

With reference to the OPAS promoted by BMPS on the ordinary shares of Mediobanca, the Board of Statutory Auditors also took note of the activities carried out by the Issuer for the purposes of the correct application of the regulatory framework on related-party transactions, in conformity with the applicable regulations and the internal procedure adopted by the Bank. In this context, the Board of Statutory Auditors monitored the decision-making and preparatory process put in place by the competent bodies, verifying that the transaction was adequately analysed in terms of possible relevance with respect to persons qualifying as related parties and that the procedural safeguards required by the applicable regulations were activated.

Following the successful conclusion of the OPAS, and with regard to the related-party transaction procedures currently in force at BMPS and the newly acquired subsidiary Mediobanca, the Board of Statutory Auditors, in the exercise of its supervisory functions, also examined the launch of the safeguards adopted by the Group, taking note of the modalities for monitoring and managing the related transactions.

In particular, the Control Body noted that, within the monitoring of the Risk Appetite Statement (RAS) 2025 of the Montepaschi Group, from 30 September 2025 certain regulatory Key Risk Indicators (KRIs) relating to Capital Adequacy are reported according to an already integrated approach, also incorporating the risk profile attributable to the former Mediobanca Group. This approach appears consistent with the progressive process of integration of the risk management and governance systems at Group level.

In this regard, the Board of Statutory Auditors has acquired evidence of the Parent Company's intention to launch a process of progressive harmonisation of the related-party transaction procedures currently in force at BMPS and MB, aimed at achieving greater homogeneity in the safeguards and operating methods within the Group. This process will be developed with due consideration for the areas of autonomy and the organisational and operational specificities of the two companies.

The Control Body must continue to supervise the development of this harmonisation process, verifying that it ensures an adequate level of oversight of the risks associated with related-party transactions and guarantees compliance with the applicable regulations, as well as the substantive and procedural transparency and correctness of the transactions carried out.

In the context of its supervisory functions provided for under the applicable legislation and the By-laws, the Board of Statutory Auditors has carried out constant monitoring of the correct functioning of the internal process relating to the management of related-party and connected-person transactions, also drawing on the periodic information flows prepared for its benefit. This activity was concretely expressed, inter alia, in systematic participation in the meetings of the Related Party Transactions Committee, during which the Control Body was able to directly follow the preparatory and deliberative process of the transactions submitted to the Committee's examination, verifying their consistency with the procedural safeguards and with the principles of transparency and substantive and procedural correctness required by the applicable framework.

On the basis of the supervisory activities carried out during the 2025 financial year, as well as the information contained in the Annual Financial Report, that acquired during Board of Directors' meetings and the further information provided by the Chief Executive Officer, Management, the corporate Control Functions, the boards of statutory auditors of subsidiary companies and PricewaterhouseCoopers SpA, in its capacity as the Group's sole external auditor, the Board of Statutory Auditors has not identified any elements such as to suggest the existence of atypical or unusual transactions carried out by the Bank.

On the same subject of Related-Party Transactions, it is worth noting the specific actions that became necessary following the aforementioned extraordinary activities that characterised 2025 and the early months of 2026, attributable to the merger project and the determination of the exchange ratio, for which reference is therefore made to what has already been reported in the specific sections of this disclosure.

3. Supervisory activities

3.1 Supervisory activities on the adequacy of the internal control system

➤ The Internal Control System (ICS)

The Internal Control System (ICS) adopted by the Montepaschi Group comprises a set of rules, functions, structures, resources, processes and procedures which aim to ensure sound and prudent company management.

The Board of Statutory Auditors, as specified in the Supervisory Provisions for Banks (Circular no. 285 of the Bank of Italy), is assigned the supervision of the “completeness, adequacy, functionality and reliability of the internal control system and of the RAF”; similar provisions are contained in the Corporate Governance Code to which the Bank has adhered, according to which “the Board of Statutory Auditors supervises the adequacy and effectiveness of the internal control and risk management system”.

For the purposes of the Internal Control System, in the Group's approach **all the Corporate Functions** are responsible for ensuring the adequate and correct implementation and have the direct responsibility of the processes under their competence in terms of monitoring, improvement and correct operation with respect to the expected results, as well as for the management of risks and their relative controls.

More specifically, in line with the aforementioned Circular, Banca MPS has established five permanent and independent **Corporate Control Functions**, corresponding to the following:

1. Compliance Function;
2. Risk Control Function;
3. Internal Validation Function;
4. Anti-money Laundering Function;
5. Internal Audit Function.

The first four relate to second level controls, and Internal Audit to third level controls.

For specific areas of competence, there are also **other control functions** with specific supervisory responsibilities within the SCI, which include, among others, the Financial Reporting Officer, the Outsourcing Control Function, the ICT Risk Control Function and the Security Function.

The Board of Statutory Auditors has maintained a constant exchange of relevant information with the aforesaid Functions during the reference period, taking note of the assessments they expressed, the areas of attention identified and the adequate coordination thereof. It also states that, to the extent of its knowledge, the same control Functions have fulfilled the related information obligations with respect to the Statutory Auditors.

In particular, the analysis and assessment of the information flows that were made available, together with the in-depth analyses conducted during its meetings, enabled this Control Body to ascertain that the overall layout of the ICS and the Functions involved in it were in line with the directions and expectations provided by the Supervisory Authority from time to time, as well as with the Bank's strategic objectives.

In the exercise of its duties, the Board of Statutory Auditors closely supervises the structure and adequacy of the Control Functions, taking into account both qualitative aspects, in terms of skills and expertise, and quantitative aspects relating to the human and technological resources available. Equally central to the Control Body's assessment is the effectiveness of synergies and information flows between the Functions themselves, essential elements for ensuring an integrated view of risks and the absence of overlaps or gaps in the oversight arrangements.

In this context, attention is drawn to the constant link between the Corporate Control Functions (FACs) established within the **Coordination Committee of the Group's Internal Control System**, which has the specific task of providing concrete and ongoing implementation of coordination among the Functions with control responsibilities, facilitating synthesis and comparison between them, with the aim also of identifying possible synergies and avoiding potential overlaps or duplication of activities.

In particular, within the framework of the evolutionary measures aimed at improving coordination and synergies between the Corporate Control Functions and enabling the governing bodies to have a harmonised and comparable view of the adequacy of the Internal Control System, of particular relevance is the recent extension of the definition of gap – i.e., the "difference between the expected situation ('to-be') and the actual situation ('as-is') of the activity being verified" – already in use by the internal audit Function, to all other Corporate Control Functions, codified within the "Group Directive on gap management", which has been appropriately updated.

A further contribution to the consolidation of a 'shared mindset' in terms of an approach diffused at all levels of the organisation to ensure conscious and responsible management is represented by meetings dedicated to spreading the risk and control culture, conceived as moments of dialogue aimed at increasing risk awareness and the correct knowledge and application of the internal processes and models for managing those risks. In this regard, continuing the practice of previous years, the Board of Statutory Auditors also held, during 2025, a dissemination meeting on the risk and control culture, focused on "Banking transparency" as a fundamental value for customer protection and the strengthening of internal and external trust.

On several occasions, the need was emphasised to establish a **dynamic adaptation process** for audits that enables the Bank to govern and promptly absorb changes in the reference context (external and internal) which, on the one hand, increase existing risks and on the other create additional new risks, requiring the continuous adaptation of controls. This orientation is confirmed by the most recent developments in governance and ownership structures that have affected the Group and which have required, inter alia, the parallel alignment of oversight arrangements and controls: reference is made to the overall activities and controls put in place by the Bank's Functions, primarily the control functions, within the framework of the Public Exchange Offer (OPAS) promoted by BMPS on Mediobanca.

In this regard, also relevant is the effective monitoring carried out by the Corporate Control Functions, to guarantee the regularity and adequacy of the various obligations, from the launch of the Offer (January 2025), continuing with the Capital Increase (Extraordinary Shareholders' Meeting of 17 April 2025), through the acceptance period (14–22 September 2025) until the successful completion of the Offer

itself, which was followed by the specific project activity to define the *roadmap* for the development of the *Combination Programme*.

➤ Focus on the Corporate Control Functions (CCF)

Further details are provided below with regard to the main drivers on which the Corporate Control Functions focused their activities within their respective areas of competence and the related outcomes, reported in detail in the respective annual reports made available to the Control Body.

The outcomes of the audits conducted by the Mediobanca Control Functions – as included in the reports submitted to their governing bodies – were also taken into account in the Corporate Control Function reports of the Parent Company, each within its respective areas of competence, for the purposes of an overall assessment in the logic of the new Group.

- *Compliance Function*

It is carried out by the Chief Compliance Executive (CCE) Department, with responsibility assigned to the Manager of the same Department.

It oversees, using a risk based approach, the management of compliance risk with regard to all corporate activities, checking that the internal procedures are adequate for preventing such risk.

On the basis of the activities performed during the year, the controls carried out, the dialogue with the Supervisory Authorities and the discussions carried out also with the other Corporate Control Functions, the overall assessment of the Internal Control System, as a judgement of compliance, stands at a “largely adequate” level (R2-Yellow).

The *Global Compliance Index*, as a summary indicator designed to measure the level of compliance risk to which the Bank remains exposed with respect to the totality of applicable and relevant regulations, continues the *trend* of progressive improvement, reaching a level of “largely compliant” (3.56 compared to 3.41 in 2024, on a scale from 1 to 4), above the RAS target level (3.30).

The index derives from assessments of 26 regulatory areas, of which 12 with a “moderate” residual risk and 14 with a “minimum” residual risk (in 2024, 16 and 10 respectively); no regulatory areas with “significant” or “critical” residual risk are identified.

The trend consolidates the increase over the past 2 years, linked to the progressive resolution of anomalies identified, improvement of processes, progressive closure of findings and the gradual implementation of activities arising from open gaps. Compared to 2024, the assessments of the areas relating to ICT, Outsourcing and Transparency improved, as a result of the progressive improvement of processes and the progressive closure of findings and gaps.

During the year, the Function carried out 761 compliance checks for all Group Companies, providing opinions (675) and validating the internal regulations within its remit (692).

In the context of the Mediobanca OPAS, the Compliance Function carried out weekly monitoring from 14 July to 22 September to ensure the management of conflicts of interest, information accuracy and compliance with the operational prohibitions imposed by Consob and, following the positive outcome of the transaction, initiated the project activity to define the *roadmap* for the development of the *Combination Programme*, with the identification of quick-wins and synergies.

Project initiatives relating to the Evolution and digitalisation of activities within its remit were also carried forward. In this regard, the automation of Compliance processes was enhanced through a customised workflow aimed at continuously updating the catalogue of external regulations and their related requirements. Compliance indicators have been defined and a series of monitoring dashboards are being progressively developed, useful for rapidly identifying risks and more precisely targeting remote

verification activities. Generative AI solutions have also been tested, which are scheduled to be implemented in 2026, to support regulatory gap analysis activities and the adaptation of the Bank's processes.

The Compliance Function carried out the customary activity of maintaining and updating the list of persons having access to inside and/or relevant information; the related checks did not identify any critical issues.

In particular, in cases where the so-called "delay procedure" for the publication of information was activated, the Compliance Function provided for the recording of the information required by the regulations for the use of that option and for the preparation of the notification of the delay to the Supervisory Authority, monitoring the internal segregation arrangements. The same Function also provided support in the activity of identifying and recognising inside information, through participation in the "Evaluation Group" (an interfunctional working group specifically set up for the analysis of inside information).

On the subject of Transparency, of particular note is the attention dedicated by the Compliance Function to monitoring the inspection conducted by the Bank of Italy (May–July 2025) on customer protection safeguards and, above all, to the definition and implementation of the consequent Remediation Plan, the conclusion of which is expected by 30 June 2026.

With reference to complaints relating to investment services (Consob), the Compliance Function highlights the sharp decline recorded in 2025, when 565 complaints were received (–78.9%) compared to 2,672 in 2024, of which 2,307 related to the "Shares" category, i.e. relating to the issue of "shareholder compensation" for alleged irregularities in the Bank's prospectuses and/or financial statements in previous years; in 2025, this category involved 223 cases. Complaints relating to banking services (ABI) were also down 1.5% compared to 2024; in line with the 2024 figure (199), were the appeals submitted by customers to the Arbitro Bancario Finanziario (Banking and Financial Arbitrator) (201).

In the "Privacy" area, it is worth noting the advisory and control activities carried out by the Data Protection Officer (DPO), a role assigned to the Head of the DPO and ICT Advisory Staff who reports hierarchically to the Head of the CCE Department. The related activities, in addition to being reported in the greatest detail in the DPO's Annual Report, are also summarised, in abridged form, in the Annual Compliance Report in the dedicated section ("Personal data protection – Privacy").

At end-2025, an improvement was recorded in the assessment of the residual risk of the "Personal data protection" regulatory area, which moved to the "minimum" level, compared to the "moderate" grade noted at the end of the previous financial year.

- Risk Control Function

It is carried out by the Chief Risk Officer (CRO) Department, with responsibility assigned to the manager of the same Department.

During 2025, the Function's main priorities continued to be oversight of the risk profile and the ongoing assessment of capital and liquidity adequacy (ICAAP and ILAAP on-going).

The assessments expressed by the same Function with regard to the risk profile take into account (i) inherent risk, i.e., the overall level of risks faced by the Group, and (ii) the adequacy of the organisational processes, systems, controls and oversight arrangements in place to manage and mitigate those risks.

With reference to the current *inherent risks* of the Group, the Risk Management Function confirms the assessment of fully adequate (score of 1 out of 4). The positive assessment, in continuity with the previous year, is attributable to the capital strengthening achieved, the improvement in profitability (resulting from improved operational and commercial efficiency), the ongoing structural cost reduction, and the improved external ratings of BMPS with consequent benefits on the cost of funding, all of which outline

an underlying trend that is decidedly positive. Even considering certain qualitative prudential elements in a forward-looking perspective, relating to the evolution of the external scenario (geopolitical risks) and potential execution risks of the new Industrial Plan and the roll-out of the combination with Mediobanca, the final assessment remains one of full adequacy.

From the perspective of internal controls, organisational processes and risk management systems, the situation is in line with the previous year and stands at the level of predominantly adequate (score of 2 out of 4).

In this regard, there are still areas for improvement in the area of credit risk management, digitalisation and the related impacts on ICAAP and ILAAP processes, as well as the need to continue the integration of the risk management framework in the ESG area and the improvement of controls on Operational and IT/Security risks, including those attributable to Third Parties.

Also in a forward-looking perspective, during 2026 the Bank will be required, as emphasised in the SREP Decision 2025, to consolidate credit risk management processes (NPE management) and to remediate the deficiencies identified by the ECB in the On-Site Inspections (OSIs) conducted during 2024–2025.

In this regard, in order to consolidate the aforementioned assessment, the Risk Function considers it sufficient to fully implement the actions already included in the Budget/Industrial Plan, to pursue the reduction of the non performing portfolio and to continue the further reduction of dependence on ECB funding through market transactions, by implementing, for full compliance with the MREL thresholds, the planned bond issues.

On the other hand, with regard to processes, in addition to monitoring credit risks, it is important to evolve and fully integrate emerging risks (in particular IT/Cyber, ESG, Third Party, digitalisation and geopolitical risks) into the management process.

- Anti-money Laundering Function

It is carried out by the AML-CFT Department, with responsibility assigned to the Head of the same Department.

The Function, reporting directly to the Chief Executive Officer, oversees – using a risk-based approach – the risks relating to anti-money laundering and counter-terrorism financing and continuously verifies that the Bank's processes and procedures are consistent with the objective of preventing and combating violations of the regulations on the matter.

The second-level checks carried out during 2025 identified an average "non-significant" level of vulnerability for all areas of analysis; in addition, 4 new controls were introduced during the year, of which 3 in the area of Customer Due Diligence (CDD) and 1 in the area of Suspicious Transaction Reporting (STR), and 1 control in the CDD area was discontinued.

Overall, the Anti-Money Laundering and Counter-Terrorism Financing area confirms a substantially sustainable level. In 2026, the Anti-Money Laundering Function will focus on the completion of the residual activities linked to the post-inspection action plan following the Bank of Italy inspection on "Customer Due Diligence and the KRIsalis Project", on the actions that will emerge during the implementation of the "AML Package" Project and above all on all the initiatives necessary for the combination with Mediobanca.

The 2025 self-assessment exercise confirmed an overall Group residual risk level standing at a Low level in line with the result obtained in the previous year.

- Internal Validation Function

It is carried out by the First Level "Risk Systems Validation" structure, located within the CRO Department; responsibility is attributed to the Head of that Structure.

The Internal Validation Function continuously oversaw the functioning of the validated measurement systems, carrying out the activities scheduled in the 2025 Plan, both core and project activities, as well as additional activities that became necessary during the year, achieving all the set objectives.

In line with the provisions of CRR3 (Capital Requirements Regulation) in force from 1 January 2025, the possibility for banks to use advanced internal models for the calculation of the capital requirement for operational risk (Advanced Measurement Approach, AMA) was precluded; these have accordingly been discontinued and replaced by the standardised calculation method (Standardised Measurement Approach, SMA).

It follows that the sole advanced risk measurement method in use at MPS during 2025 is the one based on internal ratings (IRB) for the determination of regulatory capital for Credit Risk: in this regard, the outcome of the Validation analyses confirmed the positive assessment regarding compliance with the minimum requirements for the continued use of that system.

Similar conclusions arising from the audits conducted during the year, which confirmed compliance with the requirements and eligibility conditions for the use for regulatory purposes of the advanced method for the management and measurement of Credit Risk.

The Validation Function then gave a positive assessment to the management systems for Interest Rate Risk in the Banking Book (IRRBB) and for Liquidity Risk Measurement, as well as to the IFRS9 impairment accounting models in the Credit area.

- Audit Function

It is carried out by the Chief Audit Executive Department, with responsibility assigned to the Manager of the same Department.

The CAE Department performs an independent and objective activity aimed at controlling, on the one hand, based on third-level controls, the regular performance of operations and the evolution of risks and, on the other hand, at evaluating the completeness, adequacy, functionality and reliability of the organisational structure and the other components of the Internal Control System, bringing any possible improvements to the attention of the company bodies, with particular reference to the RAF, the risk management process, as well as the instruments for measuring and controlling these risks.

From the same Function, the Board of Statutory Auditors received the necessary assistance for the performance of the supervisory activities falling within its competence and acquired information concerning the Audit Plan, the activities performed, the reports issued, the results of the audits carried out during the year, selected on the basis of shared criteria of relevance, and the progress of the corrective actions identified; with regard to the findings that emerged, this Board took steps to ensure that the necessary and most timely corrective measures were taken by the Bank's competent functions.

More specifically, on the basis of the overall activities carried out, the Audit Function found no risk elements to be considered serious and/or significant; however, certain aspects of attention are highlighted, which are also shared and deemed significant by this Control Body for its own audits, mainly in the following areas: "AML/CFT", "Transparency", "Credit", "ICT and Logical Security", "Risk management and Finance" and "Third parties".

The CAE Department will continue to keep a close watch on these areas in 2026 as well, through the planning of specific audits.

The 2025 financial year represented the second year of the three-year review cycle 2024–2026 (audit cycle).

The audits carried out exceeded the targets set at the planning stage, recording an increase in activities carried out of +1% for process engagements (81 versus 80) and +4% for engagements on the Commercial Network (262 versus 252), bringing the total number of engagements completed to 343 (versus 332). As already highlighted in the specific paragraph (§ 1.1), 13 audits were carried out in assistance to the Board of Statutory Auditors.

In terms of completeness, adequacy, functionality and reliability, the rating assigned to the Group's Internal Control System by the Internal Audit Function is in the positive range and equal to "R2-Yellow" (on the basis of the customary scale of assessments used by the CAE Department for evaluating its audit activities, distributed across four levels of increasing significance: R1-Green, R2-Yellow, R3-Orange and R4-Red).

This assessment takes into account the qualitative-quantitative findings resulting from the audit activities carried out by the CAE Department during the year, the results of the follow-up activities, the opinions expressed on the areas of competence by the Second-Level Control Functions, as well as the results of the activities conducted by the Supervisory Authorities.

More specifically, with regard to the interventions on core processes (81), the assessments were largely in the positive range, with an "R2-Yellow" rating in 31% of cases and an "R1-Green" rating in 61%. 7% of audits were concluded without the assignment of a grade, or relate to activities carried out following explicit requests from the Supervisory Authority (1) and advisory activities (5). The sole grade of "R3-Orange" is not attributable to significant business areas or regulatory compliance profiles but to a circumscribed operational aspect, relating to the management of debt recovery actions in respect of discontinued Financial Advisors. During 2025, no relationships with a negative grade ("R4-Red") were identified.

As regards engagements on the Commercial Network (262), the related outcomes led to an overall grade of "R2-Yellow", with the following distribution of grades: "R1-Green" in 23% of cases, "R2-Yellow" in 68% of cases and "R3-Orange" in 9%. The main critical issues identified in the branch network related to behavioural anomalies, such as, for example: partial acquisition of the necessary set of documentation, and failure to carry out timely monitoring and review of risk files. In this regard, in addition to individual remediation plans, a process of sharing critical issues with the involvement also of the relevant hierarchical central structures was adopted and disciplinary measures were taken in the most serious cases.

The Audit Function also has Group-level responsibility for Internal Systems for reporting violations (so-called **Whistleblowing**). This activity is managed through the "WB Confidential" information system, which supports the entire process and ensures, at every stage, the confidentiality of the report and the privacy of the personal data of the reporting party and, where applicable, the reported party, providing a specific and independent channel, separate from ordinary reporting lines.

During 2025, 33 reports were received (of which 2 in oral form) and the investigation activities continued in respect of the 9 reports received in the previous year, which were in stock as at 1 January 2025. The investigation activities completed enabled a total of 35 reports to be resolved (the 9 relating to 2024 and 26 of those received in 2025).

The related activities, carried out by the **Fraud Audit** Function through independent investigation activities or by involving other specialist structures of the Audit Function or the General Management, were brought to the attention of the Board of Statutory Auditors on a regular basis.

Overall, as reported by the Head of Internal Whistleblowing Systems for reporting violations in the context of the 2025 Report, the internal whistleblowing system adopted is functioning correctly, in accordance with the external and internal regulations currently in force. The digital platform and telephone service used did not show any technological criticalities, and also ensured ease of use for users.

The gaps actively being monitored by the Audit Function are, for the vast majority, of low-to-medium significance, and those subject to rescheduling are marginal. No *gaps* were found to have expired during the year.

Finally, during 2025, the Audit Function was subject to an External Quality Assurance Review (**EQAR**) conducted by a leading consulting firm with the objective of assessing the Function's conformity with the Global Internal Audit Standards (GIAS). This is in line with the periodicity of at least every five years required by the same Standards (the last QAR dates back to 2020).

The activity concluded with the preparation of a Final Report in which the Audit Function was assessed as achieving "Full Conformance"; with a view to continuous improvement, certain targeted future development measures were identified aimed at further raising the quality of the Department, also taking into account regulatory developments and relevant best practice.

* * *

The supervisory role on the adequacy and effectiveness of the Internal Control and Risk Management System attributed, as seen, by the Law to the Board of Statutory Auditors, starts from the relationships and information exchanges defined with the Corporate Control Functions and continues by contemplating all other interactions and comparisons made with all the "other actors" of the ICS, as already reported elsewhere in this Report.

Reference is made, inter alia, to relations with the Other Control Functions (e.g. the Financial Reporting Officer, the IT Function), the Control Bodies of the Subsidiaries (pursuant to Article 151, paragraph 2 of the Consolidated Finance Act), the other Top Management Bodies (Director in charge of the ICS, Supervisory Body 231/2001) up to and including the Company entrusted with the statutory audit (PwC).

* * *

At the overall level, for the purposes of managing the gaps actively being monitored as at 31.12.25, account is taken of the outcomes arising from the audits conducted by the Control Functions, the Financial Reporting Officer and the Supervisory Authorities.

At present, there are no findings overdue with respect to the ECB and the remedial plans are in line with expectations. Following the adoption of the new ECB "IMAS" Portal, gaps of this type are recorded as "measures" and include, inter alia, the measures arising from the SREP Decision and those connected with the various on-site inspections conducted by the ECB (OSI, IMI, Deep Dives, Thematic Reviews, etc.). At present, moreover, no delays concerning the scheduled deadlines have been identified.

For gaps opened by the Corporate Control Functions, the improving trend in the number of gaps and compliance with deadlines continues; this reflects the **constant attention** maintained by the CAE Department in following up on mitigation actions, as well as the additional monthly monitoring carried out within the Control Functions Coordination Committee, together with the strong commitment of Top Management.

The resolution of the critical areas (gaps) identified during audits and, moreover, those identified by the Supervisory Authorities, was subject to constant monitoring by the Board of Statutory Auditors, which within the scope of its supervisory activities focused in particular on trends in the performance of the corrective actions carried out by the owner Functions and respect for agreed timing.

This Control Body has, in fact, regularly monitored the evolution of the gaps opened, acquiring the relevant updates from the specific reports prepared for this purpose (Quarterly Report and Execution Plan of the gaps), emphasising the need to give top priority to the effective implementation of the activities to resolve the gaps identified by the Control Functions as well as the findings raised by the Supervisory Authorities following the inspections conducted by them, in compliance with the time frames and procedures defined for this purpose. This is since the improvement of processes and the ensuing value added for the overall company Organisation presupposes not only the identification of anomalies by the Control Functions but also the necessary remediation and resolution of the reasons for such anomalies, in order to achieve effective risk mitigation.

* * *

On the basis of these assumptions and with particular reference to the specific operating contexts analysed and the consequent corrective actions defined on the sidelines of the overall control activities, including those of the Financial Reporting Officer, it is believed that the Internal Control System is **mostly adequate**, confirming the same judgements expressed in previous years.

In this regard, the Board of Statutory Auditors took note of the Board of Directors' assessment of the Internal Control System, considered largely adequate, also following the similar assessment expressed by the Risks and Sustainability Committee.

The **Executive Director in charge of the Internal Control System**, specifically consulted on the matter, confirmed the largely positive assessment of the overall Internal Control System, stressing the need, in order to ensure progressive improvement in control processes and methodologies, for a proactive response to changes in the market and technology (e.g., use of AI systems). The collection and systematisation of data can, in fact, be transferred to more efficient and innovative tools, while the overall architecture appears to be strengthening.

The main challenge is to integrate the new group, gaining an understanding of its business and managing the impacts on monitoring and control. This requires both additional specialist skills and a comprehensive plan of technology and human resources investments.

Still standing is the need for the Board of Statutory Auditors to **continue to constantly improve the effectiveness of control activities** and to implement additional IT solutions and tools for each Corporate Control Function, aimed at strengthening the overall Internal Control System and increasing the level of automation in general, while optimising the use of resources and the control of risks, also in a logic of revision of processes from a digital perspective and with the use of artificial intelligence tools, remains valid. Within this context, the development and innovation initiatives that each Corporate Control Function continues to carry forward are positioned with a view, precisely, to continuously improving the effectiveness of control activities.

Also to be valued is the information exchange and operational collaboration among all Functions involved in the overall Internal Control System, including that of the Financial Reporting Officer, with a view to integrated risk management: this with a view to strengthening the **path of development of synergies** (in control activities and assessment methodologies) and stimulating the resolution of deficiencies identified directly or indicated by the Authorities, seeking to anticipate potential critical issues with a proactive and flexible approach.

Also in consideration of the increasing complexity and variability of the reference context which requires the Control Functions to meet ever higher standards of adequacy and **effective and dynamic oversight**.

The action of the Board of Statutory Auditors must continue to monitor the proper functioning, in terms of adequacy and effectiveness, also prospectively and proactively, of the Internal Control System, in line with the Bank's strategies, to support the implementation of projects functional to the sound and prudent management of risks.

3.2 Supervisory activities on the adequacy of the organisational structure

The Montepaschi Group, led by the Parent Company Banca Monte dei Paschi di Siena Spa, operates according to a governance model based on direction, coordination and control functions, exercised in compliance with the strategic guidelines defined by the governing bodies and the Bank of Italy's provisions for the protection of the Group's stability.

The central structures of the Parent Company, of a managerial or support nature, ensure the consistency of functional policies with corporate objectives, oversee the management of the commercial network and supervise operational processes, ensuring compliance with economic, qualitative and regulatory standards. They report, directly or through the hierarchical chain, to the administrative and control bodies and interact with the Parent Company's senior management in accordance with the procedures provided for in the By-laws and internal regulations.

Interfunctional relationships are regulated by the Bank's organisational model, which promotes synergistic mechanisms through Committees, demand management oversight, tools for the structured management of internal relationships and formalised information flows.

Intra-group relationships are governed by the "Group Operating Governance Regulation", which with regard to Mediobanca was recently approved (as specified in paragraph 6.1), and which coordinates the activities of the companies belonging to the Group, ensuring an effective system for the attribution of management responsibilities, in compliance with the provisions of the Supervisory Authorities and the objectives of overall soundness.

The entry of Mediobanca into the MPS Group, following the positive outcome of the OPAS, did not modify its prudential configuration. By letter dated 30 September 2025, in fact, the ECB clarified that, while no longer falling among the significant institutions by size following the acquisition of 86.3% by BMPS, Mediobanca and its subsidiaries – Compass, Mediobanca International (Luxembourg) and Mediobanca Premier – continue to be considered significant entities as they are part of the relevant banking group belonging to MPS, maintaining direct supervision without interruption.

The year 2025 was characterised by the completion of the main planned initiatives for the adaptation of the organisational structure, with particular reference to the strengthening of the General Management and the consolidation of the commercial network structure.

These initiatives are described in detail in the Directors' Report.

Within the activities of the General Management, significant organisational developments were introduced, including the alignment of the organisational level of the AML Function with that of the Heads of the other Corporate Control Functions, through the creation of the AML Department, which was organised into two structures: "Governance AML" and "Operational AML".

The scope of second-level risk oversight assigned to the same Function has also been extended to the Embargoes and Restrictive Measures area, oversight of which is ensured by the "Senior Staff Member Responsible for Restrictive Measures", whose responsibility, including at Group level, is assigned to the Head of the AML Department, who performs a supervisory role on the adequacy and effectiveness of policies, internal procedures and controls concerning the management of Restrictive Measures, sanctions and embargoes.

The measure had the objective of stably strengthening anti-money laundering oversight, acting on the principal areas of risk and the related controls. The measures adopted included enhanced checks on customers with a higher risk profile, in order to improve active collaboration and the quality of Suspicious Transaction Reports; the strengthening of second-level controls, in line with the new assessment model extended to the entire portfolio, and a consolidation of the oversight arrangements relating to AML Supervisory Reports. The initiative also aimed at developing design and specialist skills adequate to govern regulatory developments and to ensure the full implementation of the remediation plans agreed with the Supervisory Authority.

Having obtained the prior clearance of the Board of Statutory Auditors, in July 2025 the Board of Directors resolved the organisational review of the Chief Risk Office Department, aimed at re-aggregating activities and responsibilities in a more efficient manner by homogeneous nature and type of risk, completing the path of strengthening activities relating to: identification, modelling, measurement, management and reporting; monitoring of own risks under Pillar 1 and Pillar 2 and the related internal quantification models; assignment of ratings to counterparties and second-level controls on credit exposures; monitoring of customer risks.

This measure is part of the broader process of evolution of the risk governance system and aims to bring activities and responsibilities into a more efficient, coherent and sector best practice-aligned model.

Overall, the review contributes to making the risk governance system more robust and transparent, supporting the Board of Directors' activities in the strategic supervision of the risk profile and reinforcing, at the same time, the effectiveness of the Board of Statutory Auditors' supervisory functions. The revised structure enables the Board of Statutory Auditors to have access to more structured, timely and consistent information on the adequacy of risk oversight arrangements and the functioning of the internal control system.

With regard to the adequacy of the organisational structure, the Control Body also paid attention to the phases of handover of responsibilities relating to the role of Head of Administration and Financial Statements, in order to verify management continuity and the alignment of operational attributions; for the appointment of the Financial Reporting Officer, it issued the specific opinion required by the regulations in force.

In this regard, it is noted that, during the fourth quarter of 2025, the organisational transfer of the "Law 262 Controls and Tax Compliance" Staff was put in place, reporting directly to the CFO – Financial Reporting Officer – with the objective of ensuring more effective operational support in the discharge of the responsibilities inherent in that role.

The initiative is part of a broader process of rationalisation of corporate functions and aims, inter alia, to preserve the effectiveness of decision-making processes and to prevent potential conflicts of interest between the Administration and Financial Statements function and the Law 262 Controls and Tax Compliance structure, as controlled party and control function respectively.

In the light of the activities carried out, the documentation examined and the information acquired during meetings, including through specific discussions with the Heads of the various Corporate Functions and with the Head of the HR and COO Department, this Control Body notes that the organisational structure of the MPS Group, in terms of its design and the implementation carried out to date, appears suitable for ensuring efficient decision-making processes. This is acknowledged with the awareness that a Group of the size and complexity of BMPS, whose growth was further accelerated in the last financial year following the OPAS on Mediobanca: the implementation of the Industrial Plan and the completion of the merger project requires a continuous process of strengthening of the governance and control structure as a consequence of the new corporate and operational structure.

From this perspective, it is highlighted how such dynamics may make further assessments necessary on the subject of headcount, including the Control Functions, whose staffing levels are the subject of constant monitoring by the Board of Statutory Auditors, in order to verify the presence of adequate skills and processes capable of ensuring an effective and responsible use of new technologies in the logic of the new Group.

3.3 Supervisory activities on the administrative-accounting system

Responsibility for the administrative and accounting processes in the Bank's organisation is assigned to the Chief Financial Officer Department and, in particular within it, to the Administration and Financial Statements structure and the Law 262 Controls and Tax Compliance structure, the latter positioned during the year to report directly to the Financial Reporting Officer.

The Board of Statutory Auditors regularly met the Chief Financial Officer and Financial Reporting Officer, roles which, from 26 June 2025, are combined in the same managerial figure.

Specifically, the latter did not report any significant gaps in the operating and control processes that could jeopardise the assessment of the adequacy and effective application of the administrative and accounting procedures, for the purpose of the correct representation of the Bank's economic, equity and financial situation as shown in the separate and consolidated financial statements as at 31 December 2025.

The main issues that the Financial Reporting Officer considered appropriate to examine in depth during the 2025 financial year, as they were also considered relevant for auditing purposes, in addition to the more general checks on the reliability of financial reporting, were as follows: (i) Accounting, regulatory and tax due diligence; (ii) Purchase Price Allocation – PPA; (iii) DTA evaluation; (iv) Provision for Risks and Charges: Legal risk from financial information; (v) Property valuation; (vi) Non-performing loan disposals.

These topics, extensively discussed during several meetings of the Board of Statutory Auditors also with the Financial Reporting Officer, are reported in more detail in the Notes, to which reference is made.

As is known, on 10 September 2024, Legislative Decree No. 125/2024 transposing the CSRD (Directive 2022/2462/EU) was published in the Official Journal. In view of the obligations introduced by this Decree, the Financial Reporting Officer, as of 31 December 2024, also issues the Sustainability Reporting.

The control methodologies, defined by the MPS Group for the purposes of the operation of the Financial Reporting Officer's structure and the corrective action plan activated to date, allow the Financial Reporting Officer to formulate an opinion on the adequate monitoring of accounting risk and compliance with reporting standards pursuant to Directive 2013/34/EU, Legislative Decree no. 125 of 6 September 2024 and EU Regulation 2020/852.

Also from the further compensating checks carried out in the context of litigation relating to debt recovery, default detection parameters falling within the "balance sheet" category, impairment test, consistency of input data collected from Mediobanca and its subsidiaries and used for the purposes of the Purchase Price Allocation with accounting records, no elements emerged preventing the issuance of the attestation of the Financial Reporting Officer in relation to the separate and consolidated financial statements as at 31 December 2025. The issues raised were brought to the attention of the *owner* functions for subsequent remedial action.

The Board of Statutory Auditors has constantly liaised with the Financial Reporting Officer on these matters as well, ensuring that the consequent responsibilities were taken on promptly and effectively.

The Statutory Auditors have also constantly monitored the remedial activities, coordinated by the Financial Reporting Officer, carried out by the competent Functions of the Bank having regard to the areas for improvement and the areas for strengthening of the internal control system, also highlighted by

the Independent Auditors PwC, with reference to the activities carried out on the Financial Statements for the year ended 31 December 2024, noting their substantial completion.

For the purposes of its control activities, the Board of Statutory Auditors has also constantly monitored the remedial activities relating to the gaps highlighted by the Financial Reporting Officer with reference to the 2024 financial year, verifying their almost complete resolution. In the context of the activities carried out during the year, certain areas for improvement emerged for which the proposed improvement actions are under way.

During the year, the Board of Statutory Auditors conducted frequent meetings with the Independent Auditors PwC aimed at exchanging information on the adequacy of the administrative and accounting system in place in the Company. During this activity, no facts deemed censurable were reported. The Board of Statutory Auditors also had the opportunity to share with the Independent Auditors the procedures adopted in the preparation of the 2025 separate and consolidated financial statements.

Having said as much, the Board of Statutory Auditors notes that:

- pursuant to the provisions of Italian Legislative Decree no. 38 of 28 February 2005, the Bank's financial statements were drafted by applying the international accounting principles issued by the International Accounting Standards Board (IASB) and related interpretations by the IFRS Interpretation Committee, endorsed by the European Commission as established by EC Regulation no. 1606 of 19 July 2002 and in force as at 31 December 2025, as well as in compliance with the “Framework for the preparation and presentation of financial statements” (Conceptual Framework);
- the provisions contained in Bank of Italy Circular no. 262, as amended by the eighth update of 17 November 2022, were also applied to the financial statements and the respective Notes.

The Group has also acknowledged that in the Bank of Italy communication of the Bank of Italy of 14 March 2023 “Update of the provisions of Circular no. 262 - Bank financial statements: layout and rules for preparation” regarding the impacts of COVID-19 and measures to support the economy”, which requests, in free format, financial statement disclosure on the loans subject to public guarantee;

- disclosures to the public are made available on the Bank's website within the deadlines set for the publication of annual and interim financial statements, according to the provisions indicated in prudential supervisory regulations (known as Pillar 3);
- all activities performed, the control methods defined and the corrective action plan activated thus far have allowed the Board of Directors and the Financial Reporting Officer to issue the certifications envisaged by Article 81-ter of Consob Regulation no. 11971 of 14.5.99 and subsequent amendments and additions and by art. 154-bis of the Consolidated Law on Finance with reference to the 2025 separate and consolidated financial statements. The Risk and Sustainability Committee has expressed a favourable opinion on these statements.

It should also be noted that the Directors did not opt to exercise the derogation of powers pursuant to Article 5, para. 1, of Italian Legislative Decree no. 38/05.

With regard to the issue of going concern and the requirements of Document no. 2 of 6 February 2009 and Document no. 4 of 3 March 2010, issued jointly by the Bank of Italy, Consob and ISVAP, with subsequent amendments, this Board of Statutory Auditors acknowledges that the financial statements were drafted under the “going concern” assumption, based on the reasonable assumption of continuing to operate in the foreseeable future.

Taking note of this assumption, we refer to what is stated by the Board of Directors in Part A of the Explanatory Notes - Accounting policies in the "going concern" section of the financial statements.

The assessment of the Group's ability to continue as a going concern is based essentially on the prospective evolution of the capital and liquidity position over a time span of at least 12 months.

The Bank's Directors deem that, after assessment of the evolution of the equity and liquidity positions and with regard to the indications provided in Document no. 2 of 6 February 2009 and Document no. 4 of 3 March 2010, issued jointly by the Bank of Italy, Consob and ISVAP, as amended, the Group has a reasonable expectation that it will continue to operate as a going concern for the foreseeable future and has therefore prepared its financial statements on such going concern basis.

* * *

In the context of the tasks assigned to it, not being required to carry out analytical checks on the merits of the content of the financial statements, the Board of Statutory Auditors has carried out an overall check on the adequacy of the process for the preparation of the Financial Statements as at 31 December 2025 and on the audits carried out by the Independent Auditors.

Therefore, also pursuant to the provisions of Italian Legislative Decree 39/10 as amended and supplemented, the Board of Statutory Auditors has verified the financial information process implemented by the Bank and in particular by the Financial Reporting Officer, by the Chief Executive Officer and by the Directors and, with reference to the audit carried out by the Independent Auditor, has monitored the statutory audit of the Financial Statements for the year ended 31 December 2025.

To the extent of its own competence, this Board of Statutory Auditors has ensured that the entire process followed by the Bank, the directors and by the Independent Auditors was carried out in accordance with the laws and regulations, not having identified any inconsistencies between the information received with the information supplied in the Financial Statements.

Having said that, the Auditors have also examined the specific issue of the going concern assumption in the wider context of the exercise of their own supervisory and monitoring duties on the occasion of the preparation and approval by the Bank of the Financial Statements as at 31 December 2025.

The Control Body was thus able to verify the process for the preparation of the Financial Statements as at 31 December 2025 at the end of which the Directors, with regard to the evaluation of the assumption of going concern, came to the conclusions highlighted above. What was represented to this Board of Statutory Auditors on such issue, to the extent of its knowledge and its competence, was found to be consistent with the information on the Financial Report.

At the end of our verification activities, taking into account the conclusions of the information reviewed, there is therefore reason to assert that the Bank's administrative accounting system is able to ensure the correct representation of management events.

3.4 Supervisory activities on the statutory accounting audit

The Board of Statutory Auditors supervised, to the extent of its responsibilities, the statutory audit of the separate and consolidated financial statements through the ongoing exchange of information with the Independent Auditors PricewaterhouseCoopers Spa, appointed by the Bank's Shareholders' Meeting of 11 April 2019 for the financial years from 31 December 2020 to 31 December 2028.

The Statutory Auditors held numerous meetings with the same firm during which they examined the audit plans relating to the financial report and consolidated financial statements as at 30 June 2025 and the financial report and consolidated financial statements as at 31 December 2025 and addressed the principal risks and areas of attention identified by the Independent Auditors.

The same PricewaterhouseCoopers, on 24 March 2026, transmitted the Reports issued pursuant to Article 14 of Italian Legislative Decree no. 39/10 and Article 10 of Regulation (EU) no. 537/14.

From the review of these documents it was therefore acknowledged that:

- in the opinion of the Independent Auditors, the financial statements provide a true and fair representation of the financial position of the Bank and Group as at 31 December 2025, as well as the economic result and cash flows for the financial year closed on that date, in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and adopted by the European Union and the provisions issued in implementation of Article 9 of Italian Legislative Decree no. 38/05 and Article 43 of Italian Legislative Decree no. 136/15;
- the Independent Auditors point out that the Directors are responsible for applying the provisions of the European Commission Delegated Regulation (EU) 2019/815 regarding regulatory technical standards relating to the specification of the European Single Electronic Format (ESEF – European Single Electronic Format) to the financial statements and the Consolidated financial statements as at 31 December 2025, to be included in the Annual Financial Report. The Independent Auditors have carried out the procedures described in the auditing standard (SA Italy) no. 700B in order to express an opinion on the compliance of the Financial Statements and the Consolidated Financial Statements with the provisions of the Delegated Regulation. In the Independent Auditors' opinion, the financial statements and the consolidated financial statements as at 31 December 2025 have been prepared in XHTML format and only the consolidated financial statements have been marked, in all significant aspects, in accordance with the provisions of the Delegated Regulation;
- in the opinion of the Independent Auditors, the Report on Operations and the specific information contained in the Report on Corporate Governance and Ownership Structures indicated in Article 123-bis, paragraph 4, of Legislative Decree No. 58/98 are consistent with the statutory and Consolidated Financial Statements;
- in the opinion of the Independent Auditors, the Report on Operations, excluding the section on consolidated sustainability reporting, and the specific information contained in the Report on Corporate Governance and Ownership Structure indicated in Article 123-bis, paragraph 4, of Legislative Decree No. 58/98 are prepared in accordance with the law.

The Board of Statutory Auditors was also able to examine the Report of the Independent Auditors PwC on the limited examination of the MPS Group's consolidated sustainability reporting, pursuant to Article 14-bis of Legislative Decree No. 39 of 27 January 2010, which is referred to in the specific paragraph.

PricewaterhouseCoopers Spa identified, with reference to the separate financial statements, the following key audit matters:

- Evaluation of loans to customers for loans valued at amortised cost;
- Recoverability of deferred tax assets;

and, with reference to the consolidated financial statements, in addition to the above, also the following key matters:

- Valuation of financial instruments not listed on active markets and measured at fair value on a recurring basis;

- Accounting recognition of the business combination transaction involving the Mediobanca Group.

These key matters were addressed by this Board of Statutory Auditors during the aforementioned meetings held with the Auditor.

The Independent Auditors also provided this Control Body with the "Additional Report" (dated 24 March 2026), provided for by Article 11 of the aforementioned Regulation (EU) No 537/14. Pursuant to the same article and to Article 19, paragraph 1, letter a) of Legislative Decree no. 39/10, the Board of Statutory Auditors is required to forward this document, accompanied by its own evidence, to the Directors, together with the outcome of the audit carried out by PricewaterhouseCoopers Spa.

Based on the evidence obtained, the Independent Auditors did not identify any significant uncertainties regarding the Bank's and the Group's ability to continue as a going concern; points out, however, that neither the Directors nor the Independent Auditors can guarantee the future capacity of the Bank and the Group to continue to operate as a going concern.

This Report shows that, as part of the auditing activities carried out, no actual or suspected cases of fraud were identified and no significant issues were identified regarding cases of non-compliance, actual or presumed, with laws and regulations or provisions of the By-Laws.

In addition to the foregoing, note is taken that during the performance of the audit engagement, the Auditor identified certain areas for strengthening the internal control system and/or areas for potential improvement in the financial statements preparation process for the separate and consolidated financial statements, which were not assessed as significant and which were nonetheless brought to Management's attention. In this regard, the Board of Statutory Auditors, in sharing what has been reported by the Auditor, must subject it to constant monitoring as part of its supervisory activities.

At the date this report was submitted, the Board of Statutory Auditors did not find any critical elements regarding the independence of the Independent Auditors or causes of incompatibility. In this sense, it also received confirmation from the Independent Auditors, expressly contained in the aforementioned reports, both in the supplemental and standard reports, that PricewaterhouseCoopers Spa has not provided services that are prohibited pursuant to Article 5, para. 1 of the aforementioned Regulation.

With reference to the aforementioned Consob Communication no. 1025564 of 6 April 2001 and subsequent amendments, it is hereby disclosed that during 2025 the Bank assigned additional engagements to the Independent Auditors for "attestation services", in addition to the statutory audit, for fees of EUR 2,936 thousand and EUR 27 thousand for other services (amounts exclusive of VAT, ancillary expenses and CONSOB contribution), as reported in the Notes to the Financial Statements, to which reference is made for any matters not expressly mentioned herein.

At Group level, these amounts total EUR 3,244 thousand for "attestation services" and EUR 245 thousand for other services.

The aforementioned assignments were granted in compliance with the limits established by the "Group Policy on granting and revoking assignments to the Independent Auditors", which the Bank has internally adopted and in accordance with the provisions of EU Regulation no. 537/14.

In addition to the foregoing, as provided for by the aforementioned corporate Policy, the Board of Directors, on the proposal of the Board of Statutory Auditors, by resolution adopted on 17 December 2025, approved the integration of the fees provided for the performance of the statutory audit engagement as requested by the appointed firm PricewaterhouseCoopers Spa, for additional activities that became necessary following the completion of the public exchange offer promoted by the Bank on all of the shares of Mediobanca Banca di Credito Finanziario Spa.

These activities entailed total costs of EUR 331,000 for 2025 and expected costs of EUR 46,000 for each of the following years until 2028 (plus VAT and Consob contribution).

3.5 Supervisory activities on the financial reporting process

The Board of Statutory Auditors performed the functions of the Internal Control and Audit Committee envisaged for entities of public interest by the Consolidated Law on Statutory Auditing, monitoring the financial reporting process, examining and following the orderly execution of the work plan prepared by the Independent Auditors (for both financial statements as at 30 June 2025 and 31 December 2025) and verifying its adequacy with respect to the size and organisational and business complexity of the Bank.

This Control Body also interacted with the Financial Reporting Officer from whom it received assurance, including through the specific Certification Report of the Financial Statements, on the consistency between the information reported therein and the results of the accounting applications in use at the Bank. Similar dialogue was conducted for the information contained in press releases and presentations to analysts.

The matter, specifically governed also in the Bank's internal regulations, was audited by this Board in relation to the reliability of financial information communicated by the Company.

It is noted that the reference date for the first consolidation of the balance sheet of the MPS Group, including the Mediobanca Group companies, was set at 30 September 2025; whereas for the purposes of the consolidated income statement the contribution of the Mediobanca Group is recognised with effect from 1 October 2025.

On 1 December 2025, the Extraordinary Shareholders' Meeting of Mediobanca approved the amendment to the By-laws in respect of Article 31 (closure of the financial year on 31 December), with consequent alignment of financial reporting and tax obligations, subsequently joining the national tax consolidation of the Banca Montepaschi Group.

Within the risk disclosure framework, the Bank identifies among its high-relevance risks credit risk, market risk, operational risk (which includes legal risk), equity investment risk, business and strategic risk, as well as funding risk and liquidity risk.

With reference to the risks associated with regulatory stress test exercises, it is noted that the Montepaschi Group has been included in the sample of banks required to carry out the ECB Geopolitical Reserve stress test from an integrated MPS-Mediobanca perspective.

The first session was concluded with a substantially favourable outcome and the related activities will continue throughout 2026.

Credit risk

The Board of Statutory Auditors has maintained consistently close attention on the credit management process and, more generally, on the evolution of lending activities, as the *core business* of the Group, establishing for this purpose a systematic monitoring activity that has progressively covered all the analytical and control components associated with that process. On multiple occasions it was emphasised that the activities directed at continuously verifying the effectiveness of oversight arrangements, the regularity of transactions and the correctness of the classification and valuation of the credit portfolio must be conducted on an ongoing basis: this in order to identify promptly any signs of deterioration, guaranteeing the containment of the cost of customer credit and the default rate.

For 2025, the objectives both of ordinary destocking and of reinstatement in performing, in addition to the contributions from disposal transactions, enabled the Gross NPE ratio to be brought to levels better than the Plan, with a cost level below expectations; a general picture is evident in which the main risk

indicators are fully aligned with or above the objectives, showing an evolution of portfolio quality that is better than forecast.

This reflects the overall strengthening of credit origination and monitoring processes achieved during the year, both with regard to the retail segment (implementation of the Early Warning System framework, standardisation of default identification rules) and the corporate segment (establishment of the Emerging Risks Observatory, consolidation of the fast lending process).

On the basis of the credit risk governance and management framework, the supervisory action of the Board of Statutory Auditors covered all the activities and initiatives developed by the Bank in order to verify their alignment with lending strategies and with Regulators' expectations.

The principal information elements relating to the evolution of the aforementioned activities were acquired during the systematic meetings held during the year both with the *business* Functions and with the first-, second-, and third-level Control Functions (FACs), including within those Corporate Control Functions the Financial Reporting Officer in order to capture also the outcomes arising from the checks in the Credit area within its Structure's remit; in addition to this, the principal dynamics characterising lending activities were also analysed with PwC, the firm responsible for the statutory audit.

Continuing with the approach already adopted from the fourth quarter of 2024, in addition to the individual "*one-to-one*" meetings with the Heads of the above-mentioned Functions variously involved in the credit process, during 2025 as well, periodic joint meetings were held with the same Heads, directed at developing synergies and moments of coordination and collaboration between the Functions themselves.

The objective pursued is to bring together the areas for improvement and the most significant risk elements that have arising in the course of the respective activities carried out, verifying their effective implementation by the owner Functions, at the same time taking stock of the regular evolution of the initiatives resulting from the resolution of findings raised by the Supervisory Authorities as a result of inspections carried out by the same Authorities or responding to specific indications and/or recommendations formulated by the same Authorities, in order to guarantee a continuous and punctual monitoring of credit risk.

On those occasions, the outcomes of the Credit File Review (CFR) activities were also presented, enabling insight to be gained into the correct classification and valuation of credit, the consequent adequacy of provisions and the appropriateness of the recovery process. In this context, in fact, in addition to the checks of the credit Function, the CFR analyses of Risk Management, the checks of the Financial Reporting Officer and the third-level audits within the remit of the Audit Function are also relevant.

In this context, the Control Body was able to take note of the implementation of all the measures envisaged in response to the areas for improvement highlighted by the ECB following the "*Deep Dive* on UTP loans" it conducted on various European banks (including, precisely, BMPS) to examine in depth the rules and practices for the identification and management of UTP positions. In line with the agreed timetable (by 30 September 2025), the documentation evidencing the closure of the Action Plan was transmitted to the Supervisory Authority, together with the assurance provided by the Audit Function, which attested its consistency with the improvement objectives set out.

The Board of Statutory Auditors also took note of the Action Plan developed by the Bank in response to the findings formulated by the ECB following the on-site inspection it conducted on the subject of "Credit and counterparty risk" (OSI-2024-0240556), aimed at assessing the adequacy and effectiveness of credit risk management on the SME portfolio. The corrective measures defined for this purpose are in the process of being implemented and will need to be carefully monitored and followed up.

In addition to the foregoing, the Board of Statutory Auditors fulfils its supervisory duties in the credit area also through the direct checks that are carried out primarily with the assistance of the Internal Audit

Function, the so-called "Assisted Audits". As described in more detail in the dedicated paragraph (§ 1.1), during 2025, there was a total of 4 audits of this type addressing the subject of Credit (of which 3 relating to CFR).

Given the importance of the matter at hand, in the context of the definition of the 2026 Audit Plan as well, the Board of Statutory Auditors expressly requested that the Internal Audit Function include specific reviews of credit processes (4) in the broader Audit Plan in order to assist the Control Body.

Management overlays

With regard to management overlays, the Group decided to maintain, for the consolidated financial statements as at 31 December 2025, an approach consistent with that adopted in previous financial years, while introducing certain relevant updates relative to what was applied in the financial statements as at 31 December 2024.

First of all, the adjustment applied to retail variable-rate mortgages classified as stage 2 was eliminated, as the trend in default rates recorded in 2025 showed no significant deviations from historical evidence. Furthermore, from the first quarter of 2025, asymmetric treatment of scenarios was introduced, so as to more accurately reflect the changed macroeconomic context in the three-year projections. Finally, the adjustments already in place at the former Mediobanca Group were updated, on the basis of information available at the third quarter of 2025.

In 2025, the Group continued to integrate climate factors into credit risk estimates, adopting the "Sudden Wake-up Call" scenario, which is more conservative than the previous year, with additional provisions of EUR 16.9 mln. The back-testing analyses confirmed an overall conservative approach, although certain areas required additional provisions of EUR 113 mln.

As part of the PPA, misalignments also emerged in risk classification on certain common customers, attributable to non-aligned credit policies; these exposures were prudentially reclassified to stage 2, with an increase in exposures of EUR 102.7 mln and additional provisions of EUR 0.9 mln.

In 2025, management overlays made a significant contribution to the determination of the Group's loss provisions, generating overall additional provisions of EUR 146.6 mln and an increase in stage 2 of EUR 110.2 mln.

At the same time, the adjustments already adopted by the former Mediobanca Group were updated. As at 31 December 2025, these overlays amounted to EUR 164.1 mln, mainly intended to address geopolitical and macroeconomic uncertainties, the expected normalisation of default rates - particularly in consumer credit - and climate risk. A further portion, amounting to EUR 39.2 mln, was retained to cover the effects of recent process changes on the NPL portfolio not yet reflected in the ECL.

Overall, the loss provisions in the Financial Statements thus amount to EUR 310.7 mln, of which EUR 164.1 mln relating to the former Mediobanca Group.

Valuation of tax assets – Deferred Tax Assets (DTA)

In the context of its supervisory activities, the Board of Statutory Auditors examined the valuation process adopted by the Group with regard to the recognisability of deferred tax assets (DTAs) relating to prior consolidated tax losses. The MPS Group generated significant consolidated tax losses in previous financial years, particularly in 2016 and 2017, the residual amount of which as at 31 December 2025 stood at approximately EUR 10.5 bn.

The abolition of the ACE (Allowance for Corporate Equity) introduced by Legislative Decree no. 216/2023 with effect from 2023, together with the approval, on 5 August 2024, of the new Plan 2024–2028 Industrial Plan of the Parent Company, which provides for the consolidation and strengthening of the Group's earnings growth, resulted in an improvement in the prospects for utilisation of the tax losses and consequent partial reassessments of DTAs in the consolidated financial statements as at 31 December 2023 and 31 December 2024. During the 2025 financial year, furthermore, the completion of the acquisition of the Mediobanca Group and the decision of the Italian companies of that Group to join the MPS national tax consolidation with effect from the 2026 tax period further increased the overall earnings outlook, making future taxable income estimates sufficient for the full absorption of the prior tax losses and accordingly enabling the full recognition of the related DTAs as an asset in the balance sheet of the 2025 financial statements.

The Board of Statutory Auditors verified the consistency of the assessments made with the applicable tax regulations and, with reference to the methodology adopted by the Group for the estimation of prospective taxable income and for the consequent assessment of the recoverability of DTAs, refers to the extensive disclosure provided in the Notes to the Financial Statements – Part B.

Write-off of the Locked Reserve

On 22 January 2026, the Board of Directors resolved, pursuant to and in accordance with the procedures laid down in Article 1, paragraphs 69 to 73, of Law no. 199 of 30 December 2025 (the so-called Budget Law 2026), the write-off of the 2023 "Locked" Reserve (the "Reserve") existing as at 31 December 2025 – established by BMPS pursuant to Article 26, paragraph 5-bis, of Decree-Law no. 104/2023.

In detail, Budget Law 2026 introduces a legal presumption relating to the use of the aforementioned Reserve (Article 1, paragraph 68), establishing that, with effect from 1 January 2029, any distribution of profits – including dividend advances – or reserves shall be deemed to have been made primarily by way of withdrawal from the untaxed reserve accrued pursuant to Decree-Law no. 104/2023; such deemed withdrawal entails the immediate application of the original rate of 40%, in addition to payment of interest accrued from the due date for payment of the extraordinary tax.

The Bank chose to avail itself of the transitional arrangements (Article 1, paragraphs 69–73, Law no. 199/2025), which allow the aforementioned presumption to be disappplied provided that the reserve is subject to an extraordinary contribution at a preferential rate of 27.5% of its balance as at 31 December 2025, to be paid by 30 June 2026.

For BMPS, the write-off transaction resulted in the recognition of an extraordinary contribution of EUR 84,942,331.12, corresponding to 27.5% of the 2023 Locked Reserve – established during 2024 at the time of approval of the financial statements as at 31 December 2023 – which, as at 31 December 2025, has a total balance of EUR 308,881,204.08.

The liability arising from this contribution was recognised in equity as at 31 December 2025, under "Reserves: Other."

Purchase Price Allocation (PPA)

The acquisition of the Mediobanca Group, completed through the OPAS, constitutes a "business combination" transaction and accordingly falls within the scope of application of IFRS 3. In conformity with that standard, the Parent Company is required to adopt the acquisition method, under which, at the date of the transaction – identified as the settlement date of the Offer (15 September 2025) – the total cost (Purchase Price Allocation – PPA) must be allocated among the identifiable assets acquired and liabilities assumed, both measured at their respective fair values.

For the purposes of the PPA process, the date considered for the first consolidation of Mediobanca in MPS was 30 September 2025, given the impossibility of preparing a statement at the settlement date and having noted that, in the limited time interval that elapsed, no events occurred that materially altered the financial and economic position of the acquired Group.

The completion of the PPA process relating to the acquisition of Mediobanca is expected by 30 September 2026, in line with what is established by IFRS 3. This deadline reflects the maximum period permitted by the standard, which grants the acquirer a measurement period of no more than one year to acquire and analyse all the information necessary for the correct determination of the fair value of the assets and liabilities identified at the transaction date.

The effects arising from the allocation of the acquisition price, determined in accordance with the methodology adopted by the Group and net of the related tax impacts, amount overall to EUR 3,559.4 mln. The comparison between the total cost of the business combination and the consolidated shareholders' equity of Mediobanca as at 30 September 2025, adjusted for the preliminary effects of the PPA, results in the recognition of provisional goodwill of EUR 2,953.3 mln, calculated using the full goodwill method. This amount is provisional in nature and will be updated upon finalisation of the PPA process.

In the context of its supervisory activity, the Board of Statutory Auditors examined the process initiated by the Group in relation to the determination and allocation of the acquisition cost of the business combination arising from the OPAS on the MB Group (PPA).

In this context, the Control Body verified, to the extent within its remit, that the procedure adopted by the Parent Company was established in compliance with the applicable regulatory framework and accounting standards, taking also into account the recourse to independent experts for the fair value assessments of the assets and liabilities acquired.

The Board of Statutory Auditors also noted that the determinations made at the close of the financial year are provisional in nature, as they fall, as stated, within the measurement period provided for by the aforementioned accounting standard, within which the analyses and estimates underlying the PPA may be completed and refined.

In the context of the audits carried out, the Board of Statutory Auditors monitored the general approach of the valuation process and the consistency of the choices made with the applicable accounting standards and with implementation practices, referring, for an analytical description of the methodology adopted by the Group and the accounting effects arising from the purchase price allocation process, to the extensive disclosure provided in the Notes to the Financial Statements – Part G.

Impairment Test

During the meetings held with the Financial Reporting Officer and the Auditor, the Board of Statutory Auditors took note of the estimates and assumptions used in the preparation of the financial statements, recognising their influence on the valuation of assets and liabilities and on the information relating to potential risks. The disclosure provided also covered the criteria applied for the valuation of financial instruments pursuant to IFRS 9.

In particular, the impairment test process aimed at estimating expected credit losses (so-called ECL) was explained. The Board of Statutory Auditors took note of the classification of exposures into the three risk stages based on their credit quality, to which different criteria for measuring expected losses correspond.

On the basis of the information acquired, no elements emerged such as to suggest that the process for determining value adjustments on loans adopted by the Bank is inadequate, which appears consistent with the applicable accounting standards and applied in a uniform and prudent manner.

The Board of Statutory Auditors also supervised the procedures adopted for verifying the recoverability of equity investments and goodwill.

The impairment tests conducted on equity investments for 2025 financial year did not identify the need to proceed with value adjustments.

With regard to the goodwill impairment test, the Board of Statutory Auditors took note that, from 31 December 2025, this exercise also includes the provisional goodwill arising from the acquisition of Mediobanca, as no further indefinite-life intangible assets had yet been identified. The goodwill associated with the transaction has been provisionally allocated to the Mediobanca CGU (Cash-Generating Unit) and the related recoverable amount was estimated using the Dividend Discount Model (DDM), utilising the projections of the 2025-2028 Industrial Plan. Similarly, for the Widiba CGU the test was conducted applying the same model, based on 2025 data and the RAS 2025 projections consistent with the 2024-2028 Industrial Plan.

The tests as at 31 December 2025 confirmed the full recoverability of goodwill values for both CGUs.

Due Diligence

During the fourth quarter of 2025, the Bank conducted, with the support of specialist advisors, a detailed Due Diligence process aimed at supporting the Bank's Functions in the analysis and comparison of the accounting, regulatory and supervisory reporting treatments applied by the Mediobanca Group. The activity had the purpose of identifying any divergences in the principles adopted, areas of valuation discretion, risk profiles and possible impacts associated with the process of harmonising internal methodologies and standards.

The analyses were conducted with a perspective oriented towards the preparation of the consolidated financial statements as at 31 December 2025, with particular attention to the potential impacts attributable to the Purchase Price Allocation (PPA), as well as to the assessments relating to the change of control and the consequent integration processes. Further analyses addressed the sustainability of the operational models and the governance structures of the Mediobanca Group, with a view to assessing their consistency and alignment with the organisational structure and control oversight arrangements of the BMPS Group.

The Due Diligence activities covered the entire scope of the Mediobanca Group and its principal subsidiaries, both Italian and foreign, according to a methodological approach articulated by thematic workstreams. The overall outcome of the work did not identify any critical issues requiring extraordinary adjustments or corrective interventions to the reference values. The exercise allowed the areas most relevant for the integration of the two Groups to be clearly identified – already the subject of specific in-depth analyses in the context of the PPA and the preparation of the 2025 Financial Statements. This also enabled the relevant Functions to promptly initiate targeted analyses to define the first alignment and harmonisation actions, which will require further harmonisation of accounting policies during 2026, in order to ensure comprehensive and coherent alignment within the new Group scope.

In relation to the foregoing, the Board of Statutory Auditors, on the basis of the documentation examined and the information provided by the relevant corporate departments, takes note of the Due Diligence process conducted on Mediobanca, considering that the activities are, to the extent verifiable within the scope of its functions, consistent with the operating practices currently in use in the market for transactions of the same nature.

Property valuation

The Group adopts, for the valuation of its real estate portfolio, the revaluation model for property used for own operations, in conformity with IAS 16, and the fair value model for investment property, pursuant to IAS 40.

Within this context, and with the objective of harmonising the accounting policies of the Mediobanca Group with those of the MPS Group, with effect from 31 December 2025 Mediobanca and its subsidiary companies updated their criteria for the valuation of their real estate portfolio, adopting the same principles applied by BMPS.

As at 31 December 2025, the fair values of the entire real estate portfolio of the Group were updated, in line with the practice providing for a review at least every six months, save for the occurrence of market conditions or specific events requiring earlier reviews relative to the ordinary periodicity.

Taking into account also the updates made as at 30 June 2025, the net negative economic effect recognised in the 2025 financial year amounts overall to EUR 25.1 mln, before tax effects.

In the light of the foregoing, it cannot be ruled out that the application of alternative methodologies or the use of different estimation parameters – also depending on the market scenarios of reference or the strategies that the Group may adopt in the management of its real estate portfolio, including possible disposals – might lead, in prospect, to valuation outcomes different from those recorded in the 2025 Financial Statements, with possible negative effects on the Group's financial and economic position.

4 Supervisory activities of Sustainability Reporting

The Board of Statutory Auditors, in the exercise of the supervisory functions assigned to it by the regulations in force from time to time, carried out, during the 2025 financial year, supervision activities on the process of preparation of the Bank's sustainability disclosure, drawn up in conformity with the provisions of Directive (EU) 2022/2464 (Corporate Sustainability Reporting Directive – CSRD), the sustainability reporting standards adopted by the European Commission (European Sustainability Reporting Standards – ESRS) and Legislative Decree no. 125/2024 (the "Decree") which transposed the aforementioned Directive into the Italian legal order.

In this context, the Board of Statutory Auditors supervised the adequacy of the organisational, administrative and accounting structure and of the internal control system relevant to the process of collection, processing and presentation of sustainability information, verifying that the safeguards adopted are consistent with the evolution of the European regulatory framework and with the supervisory expectations on the management and control of environmental, social and governance (ESG) risks.

In 2025, the Board of Statutory Auditors obtained from the relevant corporate departments an updated picture of the governance model adopted by the Bank for the management of sustainability matters, with particular reference to the role of the Board of Directors and the contribution of the Risks and Sustainability Committee and the Remuneration Committee, competent for risk, sustainability and internal control matters. The Board of Statutory Auditors also monitored the progressive incorporation of ESG factors into decision-making processes and risk management systems, including the RAF, strategic planning and internal prudential safeguards, including the ICAAP.

On the subject of Sustainability Reporting, the Board regularly received and analysed the information flows prepared by the responsible departments, meeting with the CFO/Financial Reporting Officer and the Head of the Sustainability and ESG Staff, who oversees the regulatory framework, coordinates related projects and handles the preparation of the disclosure. Meetings were also held with the Independent

Auditors PricewaterhouseCoopers SpA to discuss in depth the setup of the assurance engagement and the principal findings of the audits on the process of preparation of the sustainability statement.

The scope of the Sustainability Statement, coinciding with that of the consolidated financial statements and including the Parent Company and the companies subject to full consolidation, was expanded with effect from 15 September 2025, as a consequence of the completion of the OPAS promoted by BMPS on Mediobanca.

Mediobanca in turn prepares its own sustainability document on a sub-consolidated basis, as it qualifies as a large undertaking with more than 500 employees and financial instruments listed on regulated markets of the European Union.

The other companies included within the scope of consolidation are instead exempt from the individual reporting obligation pursuant to Article 7, paragraph 1, of Legislative Decree 125/2024, as they do not meet the dimensional or subjective requirements provided for by the legislation and are already included in the Consolidated Sustainability Statement prepared by the Parent Company.

In particular, this Board of Statutory Auditors, on the basis of the attestation issued by the Chief Executive Officer and the Financial Reporting Officer of Mediobanca pursuant to Article 81-ter of Consob Regulation no. 11971/99 and the content of the Independent Auditors' Report, took note that the supervisory body of Mediobanca verified that Mediobanca's Consolidated Sustainability Statement was prepared in compliance with the reporting standards applied pursuant to Directive 2013/34/EU and the Decree and with the specifications adopted pursuant to Article 8(4) of Regulation (EU) 2020/852.

The Board of Statutory Auditors verified that the Sustainability Statement includes the disclosure required by Article 8 of Regulation (EU) 2020/852 (EU Taxonomy), which provides that undertakings subject to non-financial reporting obligations shall provide specific information on how and to what extent their economic activities are associated with activities considered environmentally sustainable pursuant to that regulation. Furthermore, following the approval of the so-called Omnibus Decree, the Bank adapted the aforementioned disclosure by applying the new templates required by the regulations.

With regard to the quantitative and tabular data reported in the Consolidated Sustainability Statement, in order to ensure temporal continuity of the information and a consistent presentation of the changes that occurred in the scope of consolidation during the financial year, a specific methodological approach was adopted: for flow measures, the relevant period considered was the three months following the entry of the Mediobanca Group into the scope of consolidation, while for stock information the value referred to the entire financial year.

This methodological approach was adopted with the objective of ensuring a homogeneous and comparable presentation of the figures subject to reporting.

During the financial year, the Board of Statutory Auditors was informed of the methodologies adopted by the Bank for the identification, assessment and monitoring of impacts, risks and opportunities (IROs) related to ESG factors, as well as the materiality determination process applying the principle of "double materiality" as required by the ESRS. The activities carried out by the Group were also noted for the mapping of the main impacts along the value chain and for the progressive integration of sustainability information into the IT systems and management and regulatory reporting processes.

The "double materiality" analysis process, which in recent years has assumed increasing significance for the integration of sustainability matters into corporate strategies, risk management and decision-making processes, has been subject to progressive methodological refinement. With reference to the 2025 financial year, the analysis was conducted in line with the applicable ESRS standards and consistently with the Group's operating context; the refinements introduced did not result in material changes to the results in terms of the relevance of the topics identified.

The Board also took note that this analysis was developed considering the different dimensions of materiality, in order to identify the significant effects of the Group's activities as well as the relevant risks and opportunities, taking into account the specificities of the business lines and the geographical areas of operations. Particular importance was attributed to stakeholder engagement, carried out in line with the EFRAG Guidelines through a dual approach: on the one hand, through Stakeholder Management activities, involving the Group's internal departments in ongoing dialogue with interested parties; on the other, through Stakeholder Engagement activities, with the direct involvement of external stakeholders through individual interviews. These activities made it possible to supplement the analyses carried out on the basis of information internal and external to the Group, including through benchmarking activities and monitoring of regulatory developments, contributing to the assessment and consolidation of the relevance of sustainability matters.

The control body also examined the main procedural controls adopted for the collection, processing and consolidation of the quantitative and qualitative information included in the Sustainability Statement, as well as the internal validation processes and the first and second-level controls in place to ensure the quality, completeness and traceability of the data subject to disclosure. In this context, the Board of Statutory Auditors obtained information on the involvement of the Corporate Control Functions, in particular the Risk Management, Compliance and Internal Audit Functions, in the activities relating to the monitoring of ESG risks and the verification of sustainability reporting processes.

In this regard, it notes that the Group adopted a model for the execution of controls on sustainability reporting that is common to all Group companies, in accordance with the requirements set out in the Internal Control System, which provides for an organised and permanent structure for the performance of controls, equipped with effective procedures capable of promptly flagging the emergence of anomalies.

The Board of Statutory Auditors took note that the Financial Reporting Officer, jointly with the Chief Executive Officer, certifies in a specific report that the Sustainability Statement included in the Management Report was prepared in compliance with the applicable reporting standards and with the technical specifications required.

In this regard, the control body met regularly with the Financial Reporting Officer of Banca MPS, who relied on the reviews performed by the Law 262 Controls Function to support his attestation. During the year, this Function adopted a mixed methodological approach — both analytical and synthetic — to monitor the main risks of the reporting process, including compliance of the disclosure with external regulations, the qualitative requirements of ESRS 1 and the completeness and accuracy of the data.

In the second half of 2025, in light of the evolution of the corporate scope following the OPAS of BMPS on Mediobanca and within the framework of the Combined Entity Integration Plan, joint in-depth analyses were conducted between the BMPS Law 262 Controls Function and the Financial Reporting and Law 262/05 Function of the newly acquired subsidiary, aimed at: assessing the sustainability disclosure control model of the former MB Group; identifying the possible methods for integration into the MPS Group model and, pending the harmonisation of the controls, defining quick-win measures for the mitigation of risks related to the preparation of the Sustainability Statement as at 31 December 2025.

The main matters that the Financial Reporting Officer brought to the attention of the supervisory body were taken up by the relevant departments and will need to be monitored by the Board of Statutory Auditors for adequate implementation.

The Board of Statutory Auditors, having examined the report of PwC on the limited assurance engagement on the Sustainability Statement for the financial year ended 31 December 2025, takes note that, upon completion of the independent reviews carried out by the Independent Auditors, no elements emerged to suggest that:

- the Consolidated Sustainability Statement of the MPS Group has not been prepared, in all significant aspects, in accordance with the reporting standards adopted by the European Commission pursuant to Directive (EU) 2013/34/EU (European Sustainability Reporting Standards "ESRS");
- the information contained in the paragraph "Disclosure pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)" of the consolidated sustainability reporting has not been prepared, in all material respects, in accordance with the aforementioned Article 8.

Conclusions

The Board of Statutory Auditors, therefore:

- having acknowledged the outcomes of the Law 262 controls and the attestation of the Financial Reporting Officer;
- having acknowledged the contents of the Independent Auditors' Report on the Consolidated Sustainability Statement of the Montepaschi Group for the year ended 31 December 2025;

certifies that, during the supervisory activities carried out and on the basis of the information obtained, no elements came to its attention such as to highlight profiles of non-compliance and/or violations of the applicable regulatory provisions on sustainability reporting.

Within the scope of the supervisory duties assigned to it, this supervisory body also verifies compliance with the requirements established in terms of publication of the Sustainability Statement, ascertaining that the related disclosure, included in the Report on Operations, as well as the attestation report on conformity issued by the auditor pursuant to Article 14-bis of Legislative Decree no. 39 of 27 January 2010, are made available to the public in the manner and within the time limits provided for by Articles 2429 and 2435 of the Italian Civil Code, as well as through publication on the Bank's website.

5. Remuneration policies

During the 2025 financial year, the Board of Statutory Auditors supervised, within the scope of its control functions and in compliance with the provisions of the legislation in force, the adequacy and correct application of the remuneration policies and structures of the MPS Group. To this end, the Standing Auditors regularly attended the meetings of the Remuneration Committee, obtaining direct and timely information on the criteria adopted in designing the incentive schemes and verifying their consistency with the applicable legislative and regulatory framework, including for the purpose of issuing the opinions required by the relevant legislation.

The Group's remuneration and incentive policies (hereinafter also the "Policies") are defined in compliance with the legislation in force and are designed to support sustainable growth, in line with the objectives of the Industrial Plan. The remuneration structures are based on the principles of transparency, proportionality and fairness, with particular attention to gender neutrality. To this end, the Group adopts structured assessment systems and carries out periodic analyses to ensure internal consistency and external competitiveness, monitoring the Gender Pay Gap and progressively reducing it through targeted management and corrective measures.

The Board of Statutory Auditors points out that as evidence of the Bank's policies to enhance diversity and the inclusion of human capital, with a particular focus on the gradual and substantial reduction of

the gender pay gap, in 2025, 56.7% of staff remuneration interventions were made in favour of the female gender.

The Group's remuneration policies constitute a driver for promoting responsible and inclusive behaviours and leadership styles, through a balanced ratio between fixed and variable components, the latter linked to measurable results, the risk profile and also ESG indicators. Within this context, the process of alignment with EU Directive 2023/970 on pay transparency is underway, with national transposition expected by 7 June 2026, which introduces transparency obligations, a ban on the use of salary history and corrective measures where the Gender Pay Gap exceeds 5% without objective justification. The MPS Group participates in industry working groups and, at the same time, is adapting its HR processes and information controls, also introducing dedicated statistical analyses, in order to verify the consistency between remuneration and professional classification and prevent any form of discrimination.

In compliance with regulatory requirements, the report on the remuneration policy includes a section dedicated to the guidelines for the definition of the remuneration policies of subsidiaries, which shall be prepared in accordance with the fundamental principles of the Group policy, taking into account the business specificities and any regulatory particularities of each company.

The Policies define harmonised Group criteria to be incorporated into the policies of the individual entities, while taking into account the respective regulatory and business specificities. With regard to compensation in the event of early termination of the employment relationship, a maximum cap is introduced, in addition to the existing limits, to safeguard long-term sustainability. Finally, attraction and retention measures are strengthened through new remuneration instruments (including sign-on bonuses, entry bonuses and buy-outs) and the harmonisation of the main contractual covenants, including stability, extended notice periods and non-competition clauses.

In this context, the Board of Statutory Auditors, also on the basis of the discussions held with the Human Resources Function, took note that 2026 will constitute a transitional year in view of the corporate reorganisation. In this regard, it notes the introduction in the 2026 Policy of specific remuneration elements already adopted by the newly acquired subsidiary Mediobanca, with the aim of promoting a broader convergence of remuneration strategy within the new Group and of providing, at the same time, uniform guidelines for the management of subsidiaries. During the 2026 financial year, in light of the evolution of the corporate and organisational structure connected with the extraordinary transaction, the scope of Material Risk Takers (MRTs) may be redefined to adapt it to the new structure, proceeding, where appropriate, also with a revision of the Policy. The Board of Statutory Auditors will be called upon to exercise ongoing supervision over these phases, ensuring the consistency of processes with the objectives outlined and compliance with best governance practices.

The 2026 Policy introduces several significant changes compared with the previous financial year. In particular, it raises the maximum limit for variable remuneration to twice the fixed remuneration for MRTs. This measure, made possible by the recent amendment to the By-Laws (Article 13, paragraph 3, letter e) and Article 14, paragraph 5), represents a development aimed at strengthening the remuneration framework and competitiveness in the medium to long term. The structure of the variable component and the pay-mix is also revised, introducing the possibility of a Long-Term Incentive Plan to support the targets of the Industrial Plan. The possible implementation of this latter change will require a new resolution by the Board of Directors and subsequent approval by the Shareholders' Meeting.

The Board of Statutory Auditors has acknowledged that the Board of Directors, on the proposal submitted by the Remuneration Committee and upon receiving the opinion of the Risk and Sustainability Committee, at the meeting of 10 March 2026, has approved, to the extent of its area of competence pursuant to the legislation in force at the time, the Report on the Remuneration Policy and Compensation

Paid to MPS Group personnel, including the following two sections: "2025 Group Remuneration and Incentive Policy 2025" and "Compensation Paid".

This Report, which fulfils the disclosure obligations provided for by Consob regulations and the Bank of Italy's Supervisory Provisions, will be submitted for approval to the Shareholders' Meeting called for 15 April 2026.

In this regard, the Board of Statutory Auditors took note of the opinion issued by the Compliance Function on the assessment of the compliance of the remuneration and incentive policies with the regulatory framework and supervisory provisions, noting an overall compliant outcome both as regards the aspects within its remit relating to the implementation of the 2025 Policies and as regards the proposal for the 2026 remuneration policies.

The Risk Control Function also confirmed the consistency of the remuneration and incentive policies and the consequent forms of variable remuneration set out in the 2026 Remuneration Report with the Risk Appetite Framework.

The Board of Statutory Auditors also examined the report of the Audit Function, which sets out the findings of the reviews it conducted at the beginning of 2026 on the implementation of the Group's remuneration and incentive system, at the conclusion of which it was ascertained that: (i) the compliance of remuneration practices with the policies approved by the Shareholders' Meeting on 17 April 2025, as well as with relevant internal and external regulations; (ii) the adequacy of the process followed for the definition of the 2026 Remuneration and Incentive Policies.

In light of the analyses conducted and the assessments formulated by the competent corporate functions, the Board of Statutory Auditors took note of the characteristics and principles that guide the remuneration and incentive policies adopted by the Group, as well as of the procedures envisaged for their application and the related monitoring system. The considerations expressed are based on the documentation and information made available by the corporate bodies and the relevant functions within the scope of the supervisory activities conducted during the financial year. The overall review did not reveal any elements requiring specific observations regarding the consistency of the policies with the applicable legislative and regulatory framework.

6. Other information

6.1 Relations with subsidiaries

In the exercise of its powers, Banca MPS, as the Parent Company, carries out management, coordination and control activities with regard to the companies belonging to the Group, in compliance with the legislation in force. In this context, the Parent Company also issues operational instructions to Group companies in order to implement the instructions of the Supervisory Authorities, with the aim of safeguarding the overall stability of the Group and ensuring compliance with the regulations on informational, regulatory and prudential supervision, promoting organisational and management practices based on criteria of uniformity and consistency.

Intra-group relations are regulated by the "Group Operational Governance Regulation", which constitutes the regulatory framework of reference for the management of relations between BMPS and the companies belonging to the MPS Banking Group in relation to the main corporate processes. This framework falls within the broader Group governance system, consisting of the integration between corporate governance and operational governance, aimed at ensuring effective coordination of activities and the achievement of strategic objectives through defined organisational rules and clear mechanisms for assigning management responsibilities.

In connection with the recent integration of the Mediobanca Group into the MPS Group structure, a specific Operational Governance Regulation was also adopted, as mentioned above, designed to govern the relations and information flows between the Parent Company and the new subsidiary, a company listed on regulated markets.

By way of derogation from the general rules, a specific Regulation was drawn up governing in detail the relations between the Parent Company and the subsidiary Mediobanca, as well as, indirectly, the relations between the Parent Company and Mediobanca's subsidiaries and between Mediobanca and its own subsidiaries. This regulatory document, together with the specific Protocol, defines processes, controls, information flows and inside information, and identifies Mediobanca as the sub-holding responsible for the control, coordination and development of the companies within its scope.

The Regulation also establishes the framework within which Mediobanca implements the plans and strategies defined by the Parent Company, whilst ensuring the harmonisation of its own internal regulations.

The supervisory activity of the Board of Statutory Auditors extends to subsidiaries on a consolidated basis, with particular attention to the adequacy of the intra-group information flows necessary both for regulatory requirements and for the Group's operational needs.

Within this framework, the supervisory body verified the effectiveness of the instructions issued by the Parent Company to its subsidiaries, also pursuant to Article 114, paragraph 2, of the Consolidated Finance Act (TUF), in order that they ensure the timely transmission of the information required by law.

During the 2025 financial year, this activity was carried out on an ongoing basis, also with the support of the Parent Company's Corporate Control Functions, in particular in view of the centralisation, with respect to the scope prior to the OPAS on Mediobanca, of the corresponding functions of the Italian subsidiaries, which periodically report to the respective corporate bodies on the outcomes of the reviews performed, on the status of corrective actions and, where necessary, also to the Parent Company's governing bodies, as well as to the Supervisory Authorities, as provided for by the applicable regulations. The oversight of relations with the subsidiary MPS Fiduciaria was further facilitated by the fact that Dr Linguant also holds the position of Standing Auditor at that company.

The Board of Statutory Auditors maintained a constant dialogue with the corresponding supervisory bodies of the Group companies on the main matters arising during the financial year, in order to obtain a broader information base on the performance of activities and risk management practices.

In conformity with the provisions of Article 151, paragraph 2, of the TUF and the Bank of Italy's supervisory provisions, during 2025 and the early months of 2026, specific meetings were also held with the boards of statutory auditors of the principal subsidiaries, during which attention was focused, inter alia, on the performance of operations, any observations on the annual financial statements, the outcomes of discussions with the independent auditors, the functioning of the internal control system, risk oversight arrangements, governance structures and the quality of intra-group information flows.

In particular, immediately following the successful completion of the OPAS, coordination was initiated with the Board of Statutory Auditors of the newly acquired subsidiary Mediobanca, in order to ensure timeliness and uniformity in the exchange of information concerning the main management and risk profiles of the Group and of the sub-holding.

In this regard, accounting and tax matters arising from the acquisition of control of Mediobanca were examined in depth, also with the assistance of the competent Functions, and a productive exchange was initiated on the respective internal control systems, including through discussions with the Heads of the Corporate Control Functions.

In the area of cyber security, the outcomes of the inspection conducted by the ECB on Mediobanca during the period May–September 2024 were also examined in depth. The subsidiary received on 10 February 2026 the final follow-up letter indicating the supervisory expectations, in particular in relation

to several recommendations for which a specific action plan was defined, together with the related implementation timelines. Subsequently, as requested by the Supervisory Authority, a self-assessment and a gap analysis will be carried out by June of this year, aimed at assessing which areas for improvement identified at Mediobanca are also applicable at Montepaschi level.

In the light of the information acquired during the aforementioned discussions and the evidence presented by the Corporate Control Functions, no critical issues warranting reporting have arising.

With regard to risk profiles, the Board of Statutory Auditors also verified that the relevant information on the principal subsidiaries is reported in the financial statements package. This assessment was also conducted on the basis of information exchanges with the Chairmen of the respective boards of statutory auditors and of the analysis of their reports on the annual financial statements, from which no critical issues emerged.

Similarly, during the periodic meetings with the management of the audit firm PwC – also appointed as auditors of the principal subsidiaries including Mediobanca and its subsidiaries following the conferment of the assignment the financial year – no elements were identified that would call into question the reliability of the internal control system with reference to administrative and accounting procedures.

6.2 Audits by Supervisory Authorities

Within the European banking supervisory system (Single Supervisory Mechanism), the Group is subject to inspections by the European Central Bank (ECB) and the national Supervisory Authorities (Bank of Italy, Consob, etc.) which may be conducted in various operational forms (on-site, remote, data submission, surveys, etc.) and focused on various areas depending on the supervisory priorities and objectives.

In this context, the Board of Statutory Auditors devotes specific attention to monitoring the initiatives directed at the resolution of findings raised by the Supervisory Authorities at the conclusion of the on-site inspections conducted, in order to acquire assurance regarding the regular progress of those initiatives and compliance with the established timetables; in certain cases, it is the Supervisory Authority itself that requests the intervention of the Control Body in terms of assessments and/or opinions, confirming the adequacy of the corrective measures adopted.

That said, the inspection activities conducted by the Supervisory Authorities during 2025 and the principal interactions with them are reported below, including those attributable to inspections conducted in previous years for which the related corrective measures are still under way.

In February 2025, the ECB initiated an on-site inspection in the area of Internal Governance and Risk Management, with the aim of verifying the related governance and risk management processes implemented by the Parent Company. The activity ended in May 2025; the related inspection report was transmitted in October 2025 and in February 2026 the follow-up letter was received indicating the findings raised by the Supervisory Authority in relation to which a dedicated action plan was defined.

A further on-site inspection activity conducted during the year by the same Authority related to IT Risk and, specifically, the processes of IT infrastructure management and logical security; the checks were commenced in October 2025 and concluded in January 2026. The *draft* version of the inspection report has been received and the final outcomes are awaited.

At the beginning of the year, the on-site inspection on credit and counterparty risk relating to the SME segment, which had been commenced by the ECB in November 2024, was concluded. In response to the eight findings set out by the Supervisory Authority in the follow-up letter (29.9.25), remediation actions have been defined which will need to be addressed during 2026.

In the credit area, furthermore, the Remediation Plan arising from the outcomes of the Deep Dive review of UTP loans conducted by the ECB by means of remote audit (October–December 2024), aimed at assessing the Policies and Procedures for the management of unlikely to pay exposures, was completed during 2025, in line with the deadlines indicated by the Supervisory Authority. As required by the Supervisory Authority, the implementation of the measures envisaged was subject to audit and assurance by the Audit Function, which attested their consistency with the improvement objectives set out.

With reference to inspections on internal credit risk measurement models – the so-called IMI "Internal Model Investigation" – the on-site inspection activity (December 2024–March 2025) aimed at assessing the Model Change application (MC 2024) relating to the Bank's credit risk models is of particular relevance.

In the report transmitted in August 2025, the ECB formalised the closure of the findings and obligations on the PD and LGD parameters opened in the previous inspections of the same type (IMI 2022 and IMI 2023) and at the same time identified new areas of attention formalised through the notification of sixteen findings.

In December 2025, the Parent Company received the Draft Decision, which identified four obligations and one limitation, imposing an add-on (+5%) in terms of RWA and Expected Loss on the Retail SME and No SME AIRB segments; the Parent Company is awaiting receipt of the Final version of the Decision.

On the subject of Cyber Resiliency, during 2025 the Parent Company completed the implementation of the remediation actions defined following the outcomes of (i) the Stress Test exercise ("Cyber Resiliency Stress Test 2024") in which the Bank was selected to participate, aimed at assessing the digital operational resilience of significant institutions against the materialisation of a serious cybersecurity threat, and (ii) the Targeted Review ("Cyber Resilience Targeted Review") conducted during October 2024 through the submission of a dedicated questionnaire. During the year, the results of the EBA EU-Wide Stress Test 2025 exercise were also received, aimed at assessing the resilience of the European banking sector, which confirmed the Group's solid capital position and ability to generate capital in a sustainable manner.

During 2025, the areas of attention highlighted by the ECB following the Deep Dive review of the digital transformation process conducted in the second half of 2024 to verify the adherence of the implemented strategy and processes to the Supervisory Authority's expectations were also duly addressed.

In relation to the Targeted Review of outsourcing processes conducted by the ECB during October 2024, the Bank, having received the notification of the related outcomes (15 May 2025), defined a dedicated action plan of remediation actions.

With regard instead to the Targeted Review on the funding plan, conducted during the second half of 2023, after the implementation by the indicated deadlines of the remediation actions required by the Authority, the latter advanced a further request for the strengthening of the processes examined, which generated additional activities that will be concluded by 31 July 2026.

On 1 August 2025, the ECB sent the Parent Company a feedback letter in relation to the outcome of the assessment carried out on the activities implemented as at 31 December 2024 following the thematic review on climate and environmental risks conducted from 2022; some issues emerged concerning the need for further strengthening of the framework for climate and environmental risks. The resulting actions, already outlined and planned, will be implemented, as requested in the aforementioned letter, by 31 March 2026.

Finally, the Parent Company was selected by the ECB to participate in the 2026 reverse stress test exercise on geopolitical risks ("ECB Geopolitical Risk Reverse Stress Test 2026"), aimed at assessing the capacity of banks to integrate this type of risk into their own risk management systems. The exercise will continue throughout 2026.

The main communications with the national Supervisory Authorities are described below.

From 19 May 2025 to 31 July 2025, the Bank of Italy conducted an on-site inspection on banking transparency, aimed at verifying the adequacy of the governance safeguards, the organisational structure and the activities of the control functions on customer protection matters.

The Supervisory Authority, while recognising the improvements recorded relative to the last inspection on the same subject (2020), highlighted the need for further strengthening measures, already announced at the close of the on-site phase of the inspection and confirmed in the inspection report delivered in December 2025. As early as September 2025, the Bank structured an action plan, partly already implemented, aimed at addressing the matters reported by the Bank of Italy.

In the area of Anti-Money Laundering, following the on-site inspection conducted in 2024 by the Bank of Italy (10 June–9 August 2024), focused on the process of customer due diligence renewal, the Bank submitted to the Supervisory Authority (24 January 2025) its observations regarding the comments made, also providing information on the measures already adopted and those that were intended to be adopted. Subsequently (11 December 2025), the Anti-Money Laundering Supervision and Regulations Unit requested the Parent Company to provide an update on the achievement of the objectives previously communicated and the related progress status, while also providing guidance for the activities underway and to be planned for 2026. In response to this request, the Parent Company transmitted the related responses within the indicated timeframes, setting out to the Supervisory Authority the control safeguards already in place together with the initiatives that will be carried out during 2026.

* * *

In conclusion, from July 2025 the findings formulated by the Supervisory Authorities are recorded in the dedicated application – "IMAS Portal" – as the single repository provided by the European Supervisory Authority for the recording and operational monitoring of *gaps*, in which all supervisory measures are visible together with the corresponding actions taken to follow up on the previously notified measures.

It is also noted that the responses provided by the relevant Functions to the Supervisory Authorities, also brought to the attention of the Board of Statutory Auditors in the exercise of its functions, were transmitted within appropriate timeframes and did not record any significant anomalies.

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During the financial year, numerous requests for information pursuant to Article 115 of the TUF were received from Consob, sometimes addressed for information also to this Board of Statutory Auditors.

These requests concerned, among other things, the co-optation of 5 Directors carried out at the end of 2024, the OPAS on Mediobanca, the process for preparing the Board of Directors' slate of candidates and other corporate governance matters.

The Board of Statutory Auditors took note that the Bank provided a timely response, transmitting to the Supervisory Authority information consistent with that received by the supervisory body itself.

6.3 Complaints and petitions

In the period between 1 January 2025 and up to the date of filing of this Report (24 March 2026), one complaint pursuant to Article 2408 of the Italian Civil Code was brought to the attention of this Board of Statutory Auditors.

This complaint — which was also referred to in the Report on the Financial Statements closed as at 31 December 2024 — was filed by Mr Marino Tommaso who, following the announcement by BMPS of the voluntary full public exchange offer for the shares of Mediobanca S.p.A., requested that the reasons for the approximately 10% decline in the MPS share price be verified and whether BMPS had considered the possibility of the buyback that Mediobanca had reserved for itself until June 2025.

The Board of Statutory Auditors verified the status of shareholder of the complainant, bearer of 1 ordinary share and, therefore, the occurrence of the prerequisites set forth in the first paragraph of Article 2408 of the Italian Civil Code.

At the end of its investigations, the Board of Statutory Auditors concluded that, in the circumstances highlighted by the shareholder, no censurable facts or, even less, circumstances constituting the prerequisites set forth in Article 2409 of the Italian Civil Code could be identified.

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Lastly, it is noted that, shortly before the filing of this Report and specifically on 16 March 2026, in view of the Bank's Shareholders' Meeting called for 15 April 2026, the minority shareholder Bluebell Partners Ltd (represented by its legal representative, Mr Giuseppe Bivona), holder of 25 ordinary shares, transmitted to the Chairman of the Board of Directors (copying the entire Board of Directors and the Board of Statutory Auditors) two liability actions pursuant to articles 2392, 2393 and 2396 of the Italian Civil Code against the Chairman of the Board of Directors, Mr Nicola Maione, and the Chief Executive Officer and General Manager, Mr Luigi Lovaglio, concerning the alleged incorrectness of the consolidation method adopted by Banca MPS following the acquisition of control of Mediobanca S.p.A.

These liability actions are the subject of in-depth assessments by the relevant Functions for the purpose of preparing an information note (to which reference is made), in which, based on the information provided to us, no issues have been identified that need to be brought to the attention of the shareholders, and which will be made available to shareholders in due time to ensure adequate disclosure. As at the date of preparation of this Report, this activity is still in progress.

In this regard, as part of the supervisory and control function assigned to it by law, the Board of Statutory Auditors must carefully monitor the upcoming developments of such liability action proposals.

6.4 Corporate governance and the Corporate Governance Code

The governance structure is organised as a coordinated set of rules and organisational arrangements designed to support the conduct of the Bank's activities and the pursuit of strategies oriented towards sustainable development, ensuring transparent management of relations both between the internal bodies and Functions and between the Company and its shareholders, investors and relevant stakeholders, including local communities, employees and suppliers.

In this context, since 2022 the Board of Directors has adopted a specific "Policy for the management of dialogue with Shareholders and Investors" of BMPS (the "Dialogue Policy"), aimed at promoting on an ongoing basis a transparent, easily accessible and constructive dialogue with the Bank's investors (including shareholders) on matters within the remit of the Board of Directors, fostering an exchange of views capable of improving the mutual understanding of respective expectations and thereby facilitating the exercise of the legitimate rights of the parties involved.

The Board of Statutory Auditors acknowledged the information provided in the Annual Report on Corporate Governance and Ownership Structure for the 2025 financial year, approved by the Board of Directors at its meeting of 10 March 2026, verifying its compliance with the provisions of Article 123-bis of the TUF and with the standard most recently issued by Borsa Italiana.

Within the scope of its supervisory responsibilities regarding the effective implementation of the Corporate Governance Code, the Board of Statutory Auditors also ascertained the adequacy and completeness of the information contained in the document, as well as the correct representation of the contents of the "2025 Annual Report" and the "Recommendations for 2026", addressed to Italian listed companies by the Italian Corporate Governance Committee in its letter of 18 December 2025.

In detail, the Board of Statutory Auditors took note of the outcomes of the analysis conducted on the aforementioned Recommendations by the Board of Directors, expressed during the meeting of 10 March 2026, in the course of which the Strategic Supervisory Body confirmed the substantial consistency of the corporate governance model adopted by the Bank with the Principles and Recommendations of the Corporate Governance Code.

With reference to the indications contained in the Recommendations for 2026, concerning the measurability of the components of the remuneration policy and the development of dialogue with relevant stakeholders, this supervisory body took note of the outcomes of the analyses carried out in accordance with the "comply or explain" principle, under which any deviations from the Code's recommendations must be disclosed and adequately justified with reference to factors internal or external to the Issuer that may render their full application not entirely appropriate.

The Bank and the Montepaschi Group adopt a Code of Ethics which constitutes the foundation of their activities and defines the guiding principles, values and rules of conduct, in line with the highest ethical and professional standards. It represents an essential governance instrument, integrated into the Model 231, the application of which is constantly monitored within the internal control system.

This Control Body, within the scope of its responsibilities, took note of the amendments to the By-laws approved by the Extraordinary Shareholders' Meeting of 4 February 2026 and subsequently authorised by the European Central Bank by Decision transmitted to the Issuer on 4 March 2026.

The amendments are aimed at aligning the By-Laws with the new Group structure and the position of BMPS in the banking sector following the success of the OPAS.

The changes concern, in particular, the possibility for the Ordinary Shareholders' Meeting to raise the 1:1 limit between the variable and fixed components of remuneration up to a maximum of 2:1; the power of the outgoing Board of Directors to present its own slate of candidates for the renewal of the body; and the provisions relating to the replacement of directors during their term of office. The rules on the re-eligibility of directors were also amended; furthermore, the powers of the Board of Directors regarding the appointment of the Chairman and Vice-Chairmen where the Shareholders' Meeting does not so provide were redefined; the provisions relating to the presentation of a single slate for the appointment of the Board of Statutory Auditors were updated; and, lastly, the percentage of profits to be allocated to the legal reserve was reduced to the minimum required by law, with the simultaneous elimination of the statutory reserve.

In compliance with the Supervisory Provisions and related specific Regulation, the Board of Statutory Auditors, appointed for the three-year period 2023-2025 by the Shareholders' Meeting of 20 April 2023 and integrated by the Shareholders' Meeting of 11 April 2024, underwent the self-assessment process for the 2025 financial year, availing itself of the assistance of an external, independent advisor, expert in corporate governance practices and appointed in agreement with the Board of Directors for carrying out the relevant activities.

On 21 January 2026, the Board of Statutory Auditors completed the aforementioned assessment process regarding the adequacy of its composition and the correct and effective functioning of the body. On the basis of the findings of the work carried out by the appointed advisor, who presented a document containing the outcomes of the analysis without identifying any specific areas for improvement, the Board deemed its current composition to be adequate and considered that it had effectively discharged the supervisory and control functions assigned to it.

The positive assessment expressed during the self-assessment is further confirmed by the Directors' assessments, which recognized the Supervisory Body's contribution to the work of the Board Committees and the Board of Directors. In particular, the professionalism, rigour and independence of judgement with which the Board of Statutory Auditors operated were highlighted, as well as the support provided to the proper functioning of the corporate structures and the adequacy of the internal control systems.

In view of the renewal of the body for the period 2026–2029, the document "Guidelines for Shareholders on the qualitative and quantitative composition of the Board of Statutory Auditors of BMPS" was approved, setting out, in compliance with the applicable legislative provisions, the optimal composition of the supervisory body, the theoretical profile of candidates, including professional qualifications, competencies, independence and the level of commitment required. The analysis prepared was made available to shareholders - through publication on the Company's website on 14 February 2026 - in order to support the selection of candidates.

In the aforementioned Guidelines, to which reference is made for further details, the outgoing Board of Statutory Auditors draws attention to the amendments to the By-Laws approved by the Extraordinary Shareholders' Meeting of 4 February 2026, which constitute a fundamental reference for ensuring the full compliance of the proposals submitted to the Shareholders' Meeting with the regulatory framework and the governance structures required. It is also hoped that the new Board of Statutory Auditors will present a balanced mix of experience and technical competencies, such as to enable an understanding of the main business areas, the organisational structure and the relevant risks of the Group.

The Board of Statutory Auditors, as required by the Corporate Governance Code, verified the correct application of the criteria and procedures adopted by the Board of Directors for the annual assessment of the independence of non-executive members. At the same time, it ascertained that its own members meet the requirements and fitness criteria for holding office as provided for by the legislation in force, reporting this to the Strategic Supervisory Body, as required by the Code itself.

Within the Board of Directors, five Board Committees have been established - the Risk and Sustainability Committee, the Nominations Committee, the Remuneration Committee, the Related Party Transactions Committee and the IT and Digitalisation Committee - with advisory and proposal-making functions, each governed by its own rules of procedure approved by the Board. These bodies are composed of non-executive directors, the majority of whom are independent, with the exception of the Related Party Transactions Committee, which is composed exclusively of independent directors, in compliance with the provisions of the By-Laws and applicable regulations, including balanced gender representation and the presence of representatives elected by minority shareholders.

The supervisory body attended the meetings of the Committees regularly throughout 2025, ensuring a constant flow of information and effective coordination. In particular, joint meetings with the Risk and Sustainability Committee were held when deemed necessary, in order to ensure a timely and coordinated

examination of matters of common interest, facilitating their effective discussion in the simultaneous presence of the competent Functions.

The Board of Statutory Auditors took note that the five Directors previously appointed by co-optation pursuant to art. 2386 of the Italian Civil Code by the Board of Directors on 27 December 2024 were appointed by the Shareholders' Meeting of 17 April 2025 for the remaining period of the current term of office.

On 13 February 2026, the Board of Directors, following the resignation of a director, proceeded to restore the Risk and Sustainability Committee by appointing an independent director. The Board of Directors did not proceed with a replacement by co-optation in view of the appointment of the new Board of Directors at the forthcoming Shareholders' Meeting of 15 April.

The Board of Directors also established a Supervisory Board 231, tasked with monitoring the functioning and observance of the 231 Model, as well as ensuring its updating, receiving information flows for the surveillance of activities at risk of predicate offences under Legislative Decree no. 231/2001 for the Bank and its main subsidiaries.

The Supervisory Board 231, a collegiate body separate from the Board of Statutory Auditors, is composed of three members (meeting integrity and professional requirements), of whom two are external professionals and one is a director of the Board of Directors meeting the independence requirements specified in the Corporate Governance Code. This Body has its own internal regulation governing its functions, composition and operating methods, as well as information flows with the Board of Directors and the Board of Statutory Auditors.

In order to ensure the complete performance of control activities, the functional and information link between the Board of Statutory Auditors and the Supervisory Board is ensured both through the periodic exchange of information flows and through the transmission of the minutes of the Supervisory Board's meetings, once approved. In this context, the Board of Statutory Auditors took note of the adequacy and effectiveness of the organisational model adopted, which is compliant with the legislation in force.

Board of Directors' slate and ECB request to the Board of Statutory Auditors

The Board of Statutory Auditors carried out assiduous and ongoing supervisory activity also on the process for the introduction of the procedure for the presentation of the slate of candidates for the renewal of the Board of Directors, in implementation of the By-laws, as amended by the Capital Markets Law (Law 21/2024) and the new Article 147-ter 1 of the TUF, which grants the outgoing Board of Directors of listed companies the power to present its own slate.

In this context, the Board of Statutory Auditors participated in the work of the Nominations Committee and the Board of Directors that led to the preparation and approval of the Board of Directors' rules of procedure for the presentation of its own slate of candidates (28 January 2026) and the Guidelines on the qualitative and quantitative composition of the Board of Directors published on 19 February 2026.

The work of the Nominations Committee and the Board of Directors subsequently continued with the candidate selection process through to the approval of the Board of Directors' slate on 4 March 2026.

The market was informed of this activity through the publication of specific press releases also disseminated via the institutional website.

Subsequently, the Bank, within the deadlines provided for by the legislation in force, published the list of Board of Directors members for the three-year period 2026–2028, presented by the Board of Directors, accompanied by the process followed for the preparation of the slate (phases and procedure) and the profiles of the selected candidates.

The deadline for the submission of additional slates expired on 21 March 2026 and the necessary activities provided for by the applicable legislation and internal regulations are still in progress and are due to be completed by 25 March 2026.

On 24 March 2026, the Board of Directors, having regard to the submission of competing slates and to the Guidelines on the qualitative and quantitative composition of the Board of Directors, on the proposal of the Nominations Committee, resolved the progressive order of the candidates on the slate presented by the Board of Directors and also identified a single candidate for the position of Chief Executive Officer, it being understood that the appointment to this position will be resolved by the Board of Directors elected at the outcome of the Shareholders' Meeting called for 15 April 2026.

The market and the Supervisory Authorities were informed of these determinations through the publication of a specific press release.

In the letter accompanying the authorisation of the amendments to the By-Laws approved by the Shareholders' Meeting of 4 February 2026, the ECB, on 4 March 2026, in order to ensure an adequate level of traceability of the process followed for the presentation of the Board of Directors' slate, requested the involvement of the Internal Audit Function and the Board of Statutory Auditors.

This activity by the Standing Auditors is still in progress and will be completed after the filing of this Report.

The Board of Statutory Auditors, within the scope of its duties, in the context of the overall renewal process of the Strategic Supervisory Body, will continue to supervise the regular operations and governance of the Bank.

6.5 Public tender offer and exchange offer on Mediobanca and Industrial Plan

On 23 January 2025, the Board of Directors of Banca MPS approved the launch of a Public Tender Offer and Exchange Offer (OPAS), initially in the form of a Public Exchange Offer, for all the ordinary shares of Mediobanca – Banca di Credito Finanziario Società per Azioni ("Mediobanca").

Subsequently, on 25 June 2025, the European Central Bank granted authorisation for the direct acquisition of a controlling interest in Mediobanca and an indirect interest in Mediobanca Premier S.p.A. and Compass Banca S.p.A. This authorisation was in addition to those already granted by the ECB relating to: (i) the amendments to the By-Laws connected with the capital increase envisaged to service the Transaction; and (ii) the eligibility, as own funds of Banca MPS, of the new shares to be issued as Common Equity Tier 1 (CET 1) capital.

The Presidency of the Council of Ministers resolved not to exercise the Golden Power in relation to the OPAS; subsequently, IVASS authorised BMPS to indirectly acquire, through Mediobanca, a qualifying holding exceeding 10% in Assicurazioni Generali; and the Italian Competition Authority (AGCM) authorised the acquisition of control of Mediobanca.

On 2 July 2025, Consob approved the Offer Document, with the acceptance period set between 14 July and 8 September 2025.

On 2 September 2025, the Offer was subsequently amended, providing for an increase in the unit consideration through the addition of a cash component of EUR 0.90 for each Mediobanca share tendered.

Based on the final results communicated to the market on 25 September 2025, during the entire acceptance period - including the reopening of the acceptance window - a total of 702,222,059 Mediobanca shares were tendered, corresponding to approximately 86.3% of the share capital.

Following the changes that occurred, the share capital of Banca MPS, fully subscribed and paid up, consisted - as at 29 September 2025 - of 3,038,418,183 shares, for a total amount of EUR 17,978,187,186.85.

Since the Board meeting that authorised the launch of the Offer, the Board of Statutory Auditors followed the entire operational and regulatory process on an ongoing basis, verifying that the decisions taken and the activities carried out by the Bank were fully compliant with the regulations applicable to transactions of this nature, in order to obtain assurance and full awareness of the obligations falling within the remit of the supervisory body, namely any regulatory obligations to be complied with and/or activities to be performed.

For all phases of the transaction, timely press releases were issued, providing the market with information consistent with the decisions taken at the Shareholders' Meeting and at the Board of Directors meetings attended by the Standing Auditors.

Within this context, an in-depth analysis was conducted on Related Party Transactions (RPTs), rendered necessary by the fact that certain holders of significant shareholdings in MPS, exceeding the 3% threshold, were also holders of significant shareholdings in Mediobanca, a circumstance that placed them in the category of 'discretionary' related parties. The concurrent presence of these parties in the shareholder structures of both companies therefore constituted a determining factor in the assessment process, requiring particular attention to the application of the safeguard measures and procedural controls established by the Consob RPT Regulation and the MPS Regulation, in order to ensure the full correctness and transparency of the decision-making process. In this regard, the Bank specified that all assessments concerning the advisability of proceeding with the Transaction were taken in full autonomy by the senior management, given that no party could have been involved in preliminary negotiations, as this was a voluntary, unsolicited full public exchange offer.

The supervisory activity of the Board of Statutory Auditors also covered the authorisation process, which was monitored in its entirety to ensure full compliance with the requirements issued by the competent Authorities. In this context, the Standing Auditors maintained constant oversight of the obligations connected with the management of the OPAS, with particular attention to the requests made by Consob regarding the monitoring of the sales network, so as to ensure the correctness of operating conduct and to enable any timely action in the event of issues.

Specifically, in line with the Consob attention notice (4 July 2025) on the subject of "ongoing monitoring", the obligations, rules of conduct and controls designed to ensure the proper conduct of the Offer were duly formalised. In this context, the Board of Statutory Auditors, in order to obtain greater assurance regarding the correctness of the related obligations, carried out constant monitoring through the analysis of the weekly reports (specifically requested for this purpose) containing the outcomes of the controls on the conduct of the Offer.

The assiduous supervision also encompassed continuous updates on relations with the Supervisory Authorities, regular participation in the work of the Board Committees and the Board of Directors, as well as structured dialogue with the corporate Functions involved.

This set of initiatives enabled the Board of Statutory Auditors to ensure effective and uninterrupted oversight of the transaction, contributing to ensuring that the Offer was managed in compliance with the legislation in force, the standards of transparency towards the market and the principles of sound and prudent management required for transactions of particular complexity and significance.

Following the successful completion of the OPAS on Mediobanca, the MPS-Mediobanca Combination Programme (the "Programme") was promptly initiated, aimed at achieving full industrial and strategic integration between the two Groups. Overall supervision of the Programme is entrusted to the Group CEO, who ensures the alignment of activities with the strategic direction of the new Group, supported by the Steering Committee, a strategic guidance and decision-making body composed of key members of the Top Management of both entities.

The operational implementation of the Programme is structured across more than twenty workstreams, each dedicated to specific project areas, supported by a cross-cutting workstream responsible for monitoring synergies and integration costs, with the task of continuously measuring progress against the identified targets.

The Programme involves all main corporate areas, including the business model and commercial offering, finance, planning and financial statements, risk management, operations, human resources, sustainability, brand and communications, investor relations and the legal and corporate affairs area.

In line with the commitments made to the Supervisory Authorities and stakeholders, the Board of Directors, at its meeting of 17 February 2026, resolved to proceed with the full integration with Mediobanca through a merger by incorporation, with the consequent delisting of the latter. Subsequently, at the meeting of 26 February 2026, the Board approved the 2026–2030 Industrial Plan (the "Plan"), thereby defining the strategic and operational framework of the new Group resulting from the combination. The Plan is founded on a defined set of success factors that support the Group's ability to generate sustainable growth and create long-term value.

At the heart of the Plan is the enhancement of iconic brands that are widely recognised and characterised by a high level of trust, together with a diversified and complementary business model that improves the quality and resilience of earnings across different economic cycles, whilst enabling the Group to meet the needs of its customers through the full range of financial services.

The merger by incorporation project prepared by the administrative bodies of Banca Monte dei Paschi di Siena and Mediobanca governs the corporate integration through the incorporation of Mediobanca into the former, with the consequent transfer to the incorporating company of all the active and passive legal relationships of the incorporated company and the simultaneous dissolution of the latter without liquidation, in accordance with the applicable civil law provisions.

In this context, the project defines the share exchange ratio, determined on the basis of the economic, capital and financial valuations carried out by the administrative bodies with the support of their respective advisors. In particular, it is envisaged that Mediobanca shareholders will be assigned 2.45 ordinary shares of Banca Monte dei Paschi di Siena for each ordinary Mediobanca share held, without any cash adjustment. This exchange ratio was determined taking into account the prospective values of the companies participating in the merger, as well as market conditions and the valuation methodologies commonly adopted in corporate integration transactions between banking institutions.

By virtue of the structure of the Transaction, its size and the parties involved, the merger qualifies as a related party transaction of greater significance, pursuant to the regulation on related party transactions adopted by Consob with Resolution no. 17221 of 12 March 2010.

In this regard, BMPS voluntarily decided not to avail itself of the exemption provided for transactions with subsidiaries under Article 14, paragraph 2, of the RPT Regulation.

Moreover, the approval of the merger by the Boards of Directors of BMPS and Mediobanca took place following the favourable opinion issued by the respective Related Party Transactions Committees.

The merger project also governs the legal, accounting and tax effects of the transaction, which will take effect from the effective date of the merger in accordance with the legislation in force and the resolutions of the Extraordinary Shareholders' Meetings of BMPS and Mediobanca, subject to the granting of the Authorisations; The Merger is expected to become effective by the end of 2026.

The Board of Statutory Auditors, from the initial phases of the Combined Programme and throughout the entire process of defining the Plan, received a constant and detailed information flow concerning the evolution of activities and the related progress, which enabled the supervisory body to exercise ongoing oversight from the outset of the process. This supervisory function was further consolidated through the participation of the Board of Statutory Auditors in the various off-site meetings organised by Senior Management, during which updates were provided on the progress of the work and the main lines of

development of the Plan. This direct and systematic involvement enabled the Board of Statutory Auditors to exercise constant control over all phases of the preparation, benefiting from an adequate body of information.

The Board of Statutory Auditors also closely monitored the definition and formalisation of the relations and information flows between the Parent Company and the subsidiary, mindful of their significance for the effectiveness of the Group's organisational structure and controls. In this context, it verified the adoption of adequate procedures for the circulation of information, necessary to ensure that the Parent Company and the Supervisory Authorities receive timely and complete data, as well as the dissemination to the market of communications consistent with the resolutions adopted and the information made available.

In continuity with the analysis of the Industrial Plan approved by the Board of Directors, the Board of Statutory Auditors reviewed the process that led to the preparation of the merger project and the determination of the related share exchange ratio, also in view of the support provided by the financial advisors engaged by the Banks, who issued specific fairness opinions.

Lastly, in light of the strategic and operational challenges facing the Bank, the Board of Statutory Auditors reiterates the need to pay particular attention to the activities connected with the implementation of the aforementioned Industrial Plan, with particular reference to the implementation of the Combined Entity Integration Plan, following a gradual approach with the completion of the main corporate and governance steps expected by the end of 2026, followed by the full implementation of the organisational, operational, IT and security model. This is also in view of a deteriorated macroeconomic and geopolitical environment and the potential execution risks inherent in transactions of this nature.

Conclusions

On the basis of what was illustrated above, we can confirm that nothing emerged that could be subject to reproach and no omissions or irregularities worthy of specific reporting to the Shareholders were found in the performance of the Company's activities in the 2025 financial year.

Taking into account the information acquired in the course of its supervisory activities, as described in this Report, the Board of Statutory Auditors has not become aware of any transactions that have not been carried out in compliance with the law and the By-laws and the principles of proper administration, that are not in the Bank's interest or that are manifestly imprudent or risky.

We acknowledge that the Directors, having assessed the outlook for the Bank's capital position and liquidity position over a time horizon of at least 12 months, believe that the Bank and the Group have a reasonable expectation of continuing to operate as a going concern and have therefore prepared the Financial Statements on a going concern basis.

Hence, the Board of Statutory Auditors, having considered the content of the Reports drawn up by the Independent Auditors, having acknowledged the declarations issued jointly, with a favourable outcome, by the Board of Directors, having heard the opinion of the Risk and Sustainability Committee and the Financial Reporting Officer, having no proposals to formulate pursuant to Article 153, paragraph 2 of the TUF, invites the Shareholders' Meeting to approve the Financial Statements for the year ended 31 December 2025 of Banca Monte dei Paschi di Siena Spa and the proposal of the Directors to:

- (i) reduce by EUR 16,680,420.33, and therefore from EUR 72,667,229.92 to EUR 55,986,809.59, the unavailability restriction established in previous financial years pursuant to Article 6 of Legislative Decree no. 38/2005;
- (ii) allocate the negative reserve of EUR 84,942,331.12 to offset the "Share premium" reserve, reducing its amount from EUR 3,146,576,345.42 to EUR 3,061,634,014.30, as well as to allocate, with effect from the settlement of the Contribution in the income tax return for the period in which it is applied

(2025), the entire amount recognised in the 2023 Reserve, equal to EUR 308,881,204.08, to the extraordinary reserve, with the consequent elimination of the 2023 Reserve, considering that, once the obligation to apply the aforementioned Contribution has been fulfilled, the 2023 Reserve will become freely available without any further charges for the Bank;

(iii) allocate the net profit for 2025 amounting to EUR 3,104,816,452.59 as follows:

- . allocation to legal reserve of an amount equal to 5% of the accrued profit corresponding to EUR 155,240,822.63, in accordance with the provisions of Article 31 of the By-laws;
- . allocation to the Shareholders, with distribution of a unit dividend of EUR 0.86 for each outstanding share, eligible for the payment of the dividend, for a total maximum amount of EUR 2,613,039,637.38;
- . allocation to extraordinary reserve of the remaining profit amounting to EUR 336,535,992.58.

The supervisory body, lastly, notes that its mandate has reached its natural expiry and invites you, with thanks for the trust placed in it, to adopt the consequent resolutions.

THE BOARD OF STATUTORY AUDITORS

Signed by

The Chairman

Enrico Ciai

Signed by

The Standing Auditor

Lavinia Linguanti

Signed by

The Standing Auditor

Giacomo Granata

Siena, 24 March 2026

Annexes

Reconciliation of the reclassified income statement as at 31 December 2025 and related accounting schedule

Item	Income Statement accounts	31/12/25	Customer repayments	Reclassification of dividends on treasury stock transactions	Reclassification provision to BRPD and DGSD funds	Recovery of stamp duty and customers expenses	Expenses related to extraordinary transactions	DTA Fee	Restructuring costs (Personnel expenses for early retirement)	Restructuring costs)	Securitization, Recapitalization and Commitment Costs	Personnel cost recoveries	Cost of credit	31/12/25	Reclassified Income Statement accounts
10	Interest income and similar revenues <i>of which interest income calculated applying the effective interest rate method</i>	- 3,823.2 3,231.2	0.0 0.0	-	-	-	-	-	-	-	-	-	-	2,079.4 3,823.2	Net interest income
20	Interest expense and similar charges	(1,743.8)	-	-	-	-	-	-	-	-	-	-	-	(1,743.8)	
40	Fee and commission income	1,721.2	1.9	-	-	-	-	-	-	-	-	-	-	1,552.2	Net fee and commission income
50	Fee and commission expense	(170.9)	-	-	-	-	-	-	-	-	-	-	-	(170.9)	
70	Dividends and similar income	463.8	-	(6.0)	-	-	-	-	-	-	-	-	-	457.8	Dividends, similar income and gains (losses) on equity investments
		-	-	6.0	-	-	-	-	-	-	-	-	(1.3)	197.4	Net profit (loss) from trading, from financial assets/liabilities measured at fair value and Net profit (loss) on disposals/repurchases
80	Net profit (loss) from trading	118.5	-	6.0	-	-	-	-	-	-	-	-	-	124.5	
100	Gains/(losses) on disposal/repurchase of: a) financial assets measured at amortised cost b) Financial assets measured at fair value through other comprehensive income c) financial liabilities	72.5 65.6 7.1 (0.2)	-	-	-	-	-	-	-	-	-	-	(1.3) (1.3)	71.2 64.3	
110	Net profit (loss) from other 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	(32.1) 2.2 (34.3)	-	-	-	-	-	-	-	-	-	-	-	1.7 2.2 (0.5)	
90	Net profit (loss) from hedging	(0.4)	-	-	-	-	-	-	-	-	-	-	-	(0.4)	Net profit (loss) from hedging
200	Other operating expenses/income	246.8	0.7	-	-	(224.7)	-	-	-	-	-	(4.9)	-	17.8	Other operating income (expenses)
160	Administrative expenses: a) personnel expenses b) other administrative expenses	(1,996.9) (1,284.7) (712.2)	-	-	7.5	224.7	7.9	57.4	32.1	0.1	3.9	4.9	-	(1,658.4) (1,248.3)	Administrative expenses a) personnel expenses b) other administrative expenses
		-	-	-	-	-	-	-	-	1.5	-	-	-	(143.7)	Net value adjustments to property, plant and equipment and intangible assets
180	Net adjustments to/recoveries on property, plant and equipment	(86.4)	-	-	-	-	-	-	-	1.5	-	-	-	(84.9)	
190	Net adjustments to/recoveries on intangible assets	(58.8)	-	-	-	-	-	-	-	-	-	-	-	(58.8)	
130	Net impairment (losses)/reversals on a) financial assets measured at amortised cost b) financial assets measured at fair value through other comprehensive income	(274.0) (272.4) (1.6)	-	-	-	-	-	-	-	-	-	-	1.3	(308.7) (274.7)	Cost of customers credit 130a) financial assets measured at amortised cost - customers
		-	-	-	-	-	-	-	-	-	-	-	1.3	1.3	100a) Loans to customers measured at amortised cost
		-	-	-	-	-	-	-	-	-	-	-	-	(33.8)	110b) Loans
		-	-	-	-	-	-	-	-	-	-	-	-	3.1	170a) Net provision for risks and charges related to financial guarantees issued and other commitments
140	Modification gains/(losses)	(4.6)	-	-	-	-	-	-	-	-	-	-	-	(4.6)	140 Modification gains (losses)
		-	-	-	-	-	-	-	-	-	-	-	-	0.7	Net impairment (losses)/reversals on securities and loans to banks
170	Net provision for risks and charges: a) commitments and guarantees issued b) other net provisions	(11.8) 3.1 (14.9)	(2.6)	-	-	-	-	-	-	-	-	-	-	(17.5) -	Net provisions for risks and charges
220	Gains (losses) on investments	0.2	-	-	-	-	-	-	-	-	-	-	-	0.2	Gains (losses) on investments
		-	-	-	-	-	-	-	(16.1)	(1.6)	(3.9)	-	-	(21.5)	Restructuring costs /One-Off costs
		-	-	-	-	-	(7.9)	-	(16.0)	-	-	-	-	(23.9)	Expenses related to extraordinary transactions
		-	-	-	(7.5)	-	-	-	-	-	-	-	-	(7.5)	Risks and charges related to the SRF, DGS and similar schemes
		-	-	-	-	-	-	(57.4)	-	-	-	-	-	(57.4)	DTA Fee
230	Net gain (losses) on property, plant and equipment and intangible assets measured at fair value	(22.7)	-	-	-	-	-	-	-	-	-	-	-	(22.7)	Net gain (losses) on property, plant and equipment and intangible assets measured at fair value
250	Gains (losses) on disposal of investments	5.1	-	-	-	-	-	-	-	-	-	-	-	5.1	Gains (losses) on disposal of investments
260	Profit (loss) before tax from continuing operations	2,048.9	-	-	-	-	-	-	-	-	-	-	-	2,048.9	Profit (loss) for the period before tax
270	Tax (expense)/recovery on income from continuing operations	1,055.9	-	-	-	-	-	-	-	-	-	-	-	1,055.9	Tax (expense)/recovery on income from continuing operations
280	Profit (loss) after tax from continuing operations	3,104.8	-	-	-	-	-	-	-	-	-	-	-	3,104.8	Profit (loss) after tax
290	Profit (loss) after tax from groups of assets held for sale and discontinued operations	-	-	-	-	-	-	-	-	-	-	-	-	-	
300	Profit (loss) for the year	3,104.8	-	-	-	-	-	-	-	-	-	-	-	3,104.8	Net profit (loss) for the year

Reconciliation between the reclassified income statement as at 31 December 2024 and related statutory accounts

Income Statement accounts		31/12/24	Customer repayments	Reclassification of dividends on treasury stock transactions	Reclassification provision to BRRD and DGSF funds	Recovery of stamp duty and customers' expenses	DTA Fee	Restructuring costs (Personnel expenses for early retirement)	Restructuring costs (Closure of Branches)	Securitization, Recapitalization and Commitment Costs	Personnel cost recoveries	Cost of credit	31/12/24	Reclassified Income Statement accounts
10	Interest income and similar revenues of which interest income calculated applying the effective interest rate method	4,648.9	-	-	-	-	-	-	-	-	-	-	2,178.8	Net interest income
		3,841.1	-	-	-	-	-	-	-	-	-	-	4,648.9	
20	Interest expense and similar charges	(2,470.1)	-	-	-	-	-	-	-	-	-	-	(2,470.1)	
40	Fee and commission income	1,595.4	1.3	-	-	-	-	-	-	-	-	-	1,431.2	Net fee and commission income
50	Fee and commission expense	(165.5)	-	-	-	-	-	-	-	-	-	-	1,596.7	
													(165.5)	
70	Dividends and similar income	58.3	-	(5.2)	-	-	-	-	-	-	-	-	53.1	Dividends, similar income and gains (losses) on equity investments
			-	5.2	-	-	-	-	-	-	-	0.2	133.9	Net profit (loss) from trading, from financial assets/liabilities measured at fair value and Net profit (loss) on disposals/repurchases
80	Net profit (loss) from trading	127.8	-	5.2	-	-	-	-	-	-	-	-	133.0	
100	Gains/(losses) on disposal/repurchase of:	(8.6)	-	-	-	-	-	-	-	-	-	(0.5)	(9.1)	
	a) financial assets measured at amortised cost	(7.7)	-	-	-	-	-	-	-	-	-	(0.5)	(8.2)	
	b) Financial assets measured at fair value through other comprehensive income	(0.3)	-	-	-	-	-	-	-	-	-	-	(0.3)	
	c) financial liabilities	(0.6)	-	-	-	-	-	-	-	-	-	-	(0.6)	
110	Net profit (loss) from other financial assets and liabilities measured at fair value through profit or loss	9.3	-	-	-	-	-	-	-	-	-	0.7	10.0	
	a) financial assets and liabilities measured at fair value	1.5	-	-	-	-	-	-	-	-	-	-	1.5	
	b) other financial assets mandatorily measured at fair value	7.8	-	-	-	-	-	-	-	-	-	0.7	8.5	
90	Net profit (loss) from hedging	(0.9)	-	-	-	-	-	-	-	-	-	-	(0.9)	Net profit (loss) from hedging
200	Other operating expenses/income	222.1	-	-	-	(205.4)	-	-	-	-	(2.6)	-	14.1	Other operating income (expenses)
160	Administrative expenses:	(2,003.1)	-	-	73.2	205.4	61.3	25.8	5.8	3.7	2.6	-	(1,625.3)	Administrative expenses
	a) personnel expenses	(1,225.1)	-	-	-	-	-	25.8	1.2	-	1.4	-	(1,196.7)	a) personnel expenses
	b) other administrative expenses	(778.0)	-	-	73.2	205.4	61.3	-	4.6	3.7	1.2	-	(428.7)	b) other administrative expenses
			-	-	-	-	-	-	0.3	-	-	-	(156.4)	Net value adjustments to property, plant and equipment and intangible assets
180	Net adjustments to/recoveries on property, plant and equipment	(95.5)	-	-	-	-	-	-	0.3	-	-	-	(95.2)	
190	Net adjustments to/recoveries on intangible assets	(61.2)	-	-	-	-	-	-	-	-	-	-	(61.2)	
130	Net impairment (losses)/reversals on:	(361.6)	-	-	-	-	-	-	-	-	-	10.1	(361.4)	Cost of customers credit
	a) financial assets measured at amortised cost	(361.0)	-	-	-	-	-	-	-	-	-	5.9	(355.1)	130a) financial assets measured at amortised cost - customers
	b) financial assets measured at fair value through other comprehensive income	(0.6)	-	-	-	-	-	-	-	-	-	0.6	-	
			-	-	-	-	-	-	-	-	-	0.5	0.5	100a) Loans to customers measured at amortised cost
			-	-	-	-	-	-	-	-	-	(0.7)	(0.7)	110b) Loans
			-	-	-	-	-	-	-	-	-	3.8	3.8	170a) Net provision for risks and charges related to financial guarantees issued and other commitments
140	Modification gains/(losses)	(9.9)	-	-	-	-	-	-	-	-	-	-	(9.9)	140 Modification gains (losses)
			-	-	-	-	-	-	-	-	-	(6.5)	(6.5)	Net impairment (losses)/reversals on securities and loans to banks
170	Net provision for risks and charges:	(61.3)	(1.3)	-	-	-	-	-	-	-	-	(3.8)	(66.4)	Net provisions for risks and charges
	a) commitments and guarantees issued	3.8	-	-	-	-	-	-	-	-	-	(3.8)	-	
	b) other net provisions	(65.1)	(1.3)	-	-	-	-	-	-	-	-	-	(66.4)	
220	Gains (losses) on investments	-	-	-	-	-	-	-	-	-	-	-	-	Gains (losses) on investments
			-	-	-	-	-	(25.8)	(6.1)	(3.7)	-	-	(35.6)	Restructuring costs /One-Off costs
			-	-	(73.2)	-	-	-	-	-	-	-	(73.2)	Risks and charges related to the SRF, DGS and similar schemes
			-	-	-	-	(61.3)	-	-	-	-	-	(61.3)	DTA Fee
230	Net gain (losses) on property, plant and equipment and intangible assets measured at fair value	(27.4)	-	-	-	-	-	-	-	-	-	-	(27.4)	Net gain (losses) on property, plant and equipment and intangible assets measured at fair value
250	Gains (losses) on disposal of investments	2.7	-	-	-	-	-	-	-	-	-	-	2.7	Gains (losses) on disposal of investments
260	Profit (loss) before tax from continuing operations	1,399.2	-	-	-	-	-	-	-	-	-	-	1,399.2	Profit (loss) for the period before tax
270	Tax (expense)/recovery on income from continuing operations	523.5	-	-	-	-	-	-	-	-	-	-	523.5	Tax (expense)/recovery on income from continuing operations
300	Profit (loss) for the year	1922.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1922.9	Net profit (loss) for the year

Reconciliation of the reclassified balance sheet as at 31 December 2025 and related accounting schedule

Balance-sheet Items - Assets	31/12/25	Loans to customers	Trading derivatives	Securities	Loans to Banks @ AC - Loans to Central Banks	Non-current assets held for sale and disposal groups	Non-current assets held for sale and disposal groups - Others	Change in value of macro-hedged financial assets	31/12/25	Reclassified Balance-sheet Items - Assets
10 Cash and cash equivalents	14,949.5	-	-	-	-	-	-	-	14,949.5	Cash and cash equivalents
20 Financial assets measured at fair value through profit or loss	8,225.7	-	-	-	-	-	-	-	18,477.3	Securities assets
		-	-	13,087.9	-	-	-	-	13,087.9	
a) financial assets held for trading	7,845.9	-	(2,706.4)	-	-	-	-	-	5,139.5	
b) financial assets designated at fair value	-	-	-	-	-	-	-	-	-	
c) other financial assets mandatorily measured at fair value	379.8	(129.9)	-	-	-	-	-	-	249.9	
30 Financial assets measured at fair value through other comprehensive income	1,836.4	-	-	(1,836.4)	-	-	-	-	-	
40 Financial assets measured at amortised cost:	94,206.8	-	-	-	-	-	-	-	-	
		-	-	-	637.7	-	-	-	637.7	Loans to central banks
a) Loans to banks	4,087.1	-	-	(955.4)	(637.7)	-	-	-	2,494.0	Loans to banks
b) Loans to customers	90,119.7	129.9	-	(10,296.1)	-	867.0	-	-	80,820.5	Loans to customers
50 Hedging derivatives	720.7	-	2,706.4	-	-	-	-	-	3,427.1	Derivatives
60 Change in value of macro-hedged financial assets (+/-)	(907.8)	-	-	-	-	-	-	907.8	-	
70 Equity investments	16,182.1	-	-	-	-	34.0	-	-	16,216.1	Equity investments
80 Property, plant and equipment	1,967.6	-	-	-	-	34.9	-	-	2,002.5	Property, plant and equipment
90 Intangible assets	134.8	-	-	-	-	-	-	-	134.8	Intangible assets
- of which goodwill	-	-	-	-	-	-	-	-	-	- of which goodwill
100 Tax assets	3,786.6	-	-	-	-	-	-	-	3,786.6	Tax assets
a) current	65.4	-	-	-	-	-	-	-	65.4	a) current
b) deferred	3,721.2	-	-	-	-	-	-	-	3,721.2	b) deferred
110 Non-current assets held for sale and disposal groups	935.9	-	-	-	-	(935.9)	-	-	-	Other assets
120 Other assets	3,135.6	-	-	-	-	-	-	(907.8)	2,227.8	110 Non-current assets held for sale and disposal groups 120 Other assets
Total Assets	145,173.9	-	-	-	-	-	-	-	145,173.9	Total Assets

Balance-sheet Items - Liabilities		31/12/25	Due to central banks	Due to banks	Debt securities issued - customers	Trading derivatives	Financial liabilities designated at fair value	Provision for staff severance indemnities	Change in value of macro-hedged financial liabilities (+/-)	Net Equity	31/12/25	Reclassified balance-sheet items - Liabilities
10	Financial liabilities measured at amortised cost	110,155.9	-	-	-	-	-	-	-	-	93,346.1	Direct funding
	a) due to banks	16,936.2	(9,009.8)	(7,926.4)	-	-	-	-	-	-	-	-
	b) due to customers	81,876.5	-	-	-	-	-	-	-	-	81,876.5	a) due to customers
	c) debts securities issued	11,343.2	-	-	-	-	126.4	-	-	-	11,469.6	b) Securities issued
		-	9,009.8	-	-	-	-	-	-	-	9,009.8	Due to central banks
		-	-	7,926.4	-	-	-	-	-	-	7,926.4	Due to banks
20	Financial liabilities held for trading	2,878.6	-	-	-	(1,456.7)	-	-	-	-	1,421.9	On-balance-sheet financial liabilities held for trading
30	Financial liabilities designated at fair value	126.4	-	-	-	-	(126.4)	-	-	-	-	-
40	Hedging derivatives	216.2	-	-	-	-	-	-	-	-	1,672.9	Derivatives
		-	-	-	-	1,456.7	-	-	-	-	216.2	Hedging derivatives
		-	-	-	-	-	-	-	-	-	1,456.7	Trading derivatives
50	Change in value of macro-hedged financial liabilities (+/-)	-	-	-	-	-	-	-	-	-	-	-
60	Tax liabilities	12.3	-	-	-	-	-	-	-	-	12.3	Tax liabilities
	a) current	12.3	-	-	-	-	-	-	-	-	12.3	a) current
	b) deferred	-	-	-	-	-	-	-	-	-	-	b) deferred
70	Liabilities associated with non-current assets held for sale and disposal groups	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	2,834.6	Other liabilities
		-	-	-	-	-	-	-	-	-	-	Change in value of macro-hedged financial liabilities (+/-)
		-	-	-	-	-	-	-	-	-	-	Liabilities associated with non-current assets held for sale and disposal group
80	Other liabilities	2,834.6	-	-	-	-	-	-	-	-	2,834.6	Other liabilities
90	Provisions for employee's severance pay	67.4	-	-	-	-	-	(67.4)	-	-	-	-
100	Provisions for risks and charges:	860.5	-	-	-	-	-	-	-	-	927.9	Provisions for specific use
	a) financial guarantees and other commitments	-	-	-	-	-	-	67.4	-	-	67.4	a) Provision for staff severance indemnities
	b) post-employment benefits	146.5	-	-	-	-	-	-	-	-	146.5	b) Provision related to guarantees and other commitments issued
	c) other provisions	3.0	-	-	-	-	-	-	-	-	3.0	c) Pension and other post-retirement benefit obligations
		711.0	-	-	-	-	-	-	-	-	711.0	d) Other provisions
110	Valuation reserves	38.2	-	-	-	-	-	-	-	(38.2)	-	-
140	Reserves	3,754.2	-	-	-	-	-	-	-	(3,754.2)	-	-
		-	-	-	-	-	-	-	-	-	28,022.0	Net equity
		-	-	-	-	-	-	-	-	38.2	38.2	a) Valuation reserves
		-	-	-	-	-	-	-	-	-	-	b) Redeemable shares
		-	-	-	-	-	-	-	-	-	-	c) Equity Instruments
		-	-	-	-	-	-	-	-	3,754.2	3,754.2	d) Reserves
		-	-	-	-	-	-	-	-	3,146.6	3,146.6	e) Share premium reserve
160	Share capital	17,978.2	-	-	-	-	-	-	-	-	17,978.2	f) Share capital
		-	-	-	-	-	-	-	-	-	-	g) Treasury shares (-)
		-	-	-	-	-	-	-	-	3,104.8	3,104.8	h) Net profit (loss) for the year
170	Treasury shares (-)	-	-	-	-	-	-	-	-	-	-	-
180	Profit (loss) for the year (+/-)	3,104.8	-	-	-	-	-	-	-	(3,104.8)	-	-
Total Liabilities and Shareholders' Equity		145,173.9	-	-	-	-	-	-	-	-	145,173.9	Total Liabilities and Shareholders' Equity

Reconciliation between the reclassified balance sheet as at 31 December 2024 and related statutory accounts

Balance-sheet Items - Assets	31/12/24	Loans to customers	Trading derivatives	Securities	Loans to Banks @ AC - Loans to Central Banks	Non-current assets held for sale and disposal groups - Property, plant and equipment	Non-current assets held for sale and disposal groups - Others	Change in value of macro-hedged financial assets	31/12/24	Reclassified Balance-sheet Items - Assets
10 Cash and cash equivalents	12,976.6	-	-	-	-	-	-	-	12,976.6	Cash and cash equivalents
20 Financial assets measured at fair value through profit or loss	6,576.9	-	-	-	-	-	-	-	17,387.2	Securities assets
	-	-	-	13,312.7	-	-	-	-	13,195.1	
a) financial assets held for trading	6,123.4	-	(2,359.0)	-	-	-	-	-	3,764.4	
b) financial assets designated at fair value	-	-	-	-	-	-	-	-	-	
c) other financial assets mandatorily measured at fair value	453.5	(143.5)	-	-	-	-	-	-	310.0	
30 Financial assets measured at fair value through other comprehensive income	2,337.4	-	-	(2,337.4)	-	-	-	-	-	
40 Financial assets measured at amortised cost:	91,415.5	-	-	-	-	-	-	-	-	
	-	-	-	-	560.8	-	-	-	560.8	Loans to central banks
a) Loans to banks	3,783.6	-	-	(737.7)	(560.8)	-	-	-	2,485.1	Loans to banks
b) Loans to customers	87,631.9	143.5	-	(10,237.6)	-	(0.1)	-	-	77,537.6	Loans to customers
50 Hedging derivatives	59.4	-	2,359.0	-	-	-	-	-	2,418.4	Derivatives
60 Change in value of macro-hedged financial assets (+/-)	(373.5)	-	-	-	-	-	-	373.5	-	
70 Equity investments	662.1	-	-	-	-	-	-	-	662.1	Equity investments
80 Property, plant and equipment	2,042.9	-	-	-	-	-	-	-	2,042.9	Property, plant and equipment
90 Intangible assets	134.6	-	-	-	-	-	-	-	134.6	Intangible assets
- of which goodwill	-	-	-	-	-	-	-	-	-	- of which goodwill
100 Tax assets	2,525.5	-	-	-	-	-	-	-	2,525.5	Tax assets
a) current	102.2	-	-	-	-	-	-	-	102.2	a) current
b) deferred	2,423.3	-	-	-	-	-	-	-	2,423.3	b) deferred
110 Non-current assets held for sale and disposal groups	-	-	-	-	-	-	-	-	3,316.0	Other assets
	107.5	(0.1)	-	-	-	0.1	-	-	107.7	110 Non-current assets held for sale and disposal groups
120 Other assets	3,581.8	-	-	-	-	-	-	(373.5)	3,208.3	120 Other assets
Total Assets	122,046.7	-	-	-	-	-	-	-	122,046.7	Total Assets

Balance-sheet Items - Liabilities		31/12/24	Due to central banks	Due to banks	Debt securities issued - customers	Trading derivatives	Financial liabilities designated at fair value	Provision for staff severance indemnities	Change in value of macro-hedged financial liabilities (+/-)	Net Equity	31/12/24	Reclassified balance-sheet items - Liabilities
10	Financial liabilities measured at amortised cost	103,586.0	-	-	-	-	-	-	-	-	89,872.7	Direct funding
	a) due to banks	138,330.0	(8,510.9)	(5,322.1)	-	-	-	-	-	-	-	
	b) due to customers	79,445.1	-	-	505.1	-	-	-	-	-	79,950.2	a) due to customers
	c) debts securities issued	10,307.9	-	-	(505.1)	-	119.7	-	-	-	9,922.5	b) Securities issued
		-	8,510.9	-	-	-	-	-	-	-	8,510.9	Due to central banks
		-	-	5,322.1	-	-	-	-	-	-	5,322.1	Due to banks
20	Financial liabilities held for trading	2,652.5	-	-	-	(1,034.5)	-	-	-	-	1,618.0	On-balance-sheet financial liabilities held for trading
30	Financial liabilities designated at fair value	119.7	-	-	-	-	(119.7)	-	-	-	-	
40	Hedging derivatives	343.3	-	-	-	-	-	-	-	-	1,380.8	Derivatives
		-	-	-	-	-	-	-	-	-	346.3	Hedging derivatives
		-	-	-	-	1,034.5	-	-	-	-	1,034.5	Trading derivatives
50	Change in value of macro-hedged financial liabilities (+/-)	(0.7)	-	-	-	-	-	-	0.7	-	-	
60	Tax liabilities	-	-	-	-	-	-	-	-	-	-	Tax liabilities
	a) current	-	-	-	-	-	-	-	-	-	-	a) current
	b) deferred	-	-	-	-	-	-	-	-	-	-	b) deferred
70	Liabilities associated with non-current assets held for sale and disposal groups	-	-	-	-	-	-	-	-	-	-	
		-	-	-	-	-	-	-	-	-	3,068.6	Other liabilities
		-	-	-	-	-	-	-	(0.7)	-	(0.7)	Change in value of macro-hedged financial liabilities (+/-)
		-	-	-	-	-	-	-	-	-	-	Liabilities associated with non-current assets held for sale and disposal group
80	Other liabilities	3,069.3	-	-	-	-	-	-	-	-	3,069.3	Other liabilities
90	Provisions for employees severance pay	69.3	-	-	-	-	-	(69.3)	-	-	-	
100	Provisions for risks and charges:	919.8	-	-	-	-	-	-	-	-	989.1	Provisions for specific use
	a) financial guarantees and other commitments	149.6	-	-	-	-	-	69.3	-	-	69.3	a) Provision for staff severance indemnities
	b) post-employment benefits	3.3	-	-	-	-	-	-	-	-	149.6	b) Provision related to guarantees and other commitments issued
	c) other provisions	766.9	-	-	-	-	-	-	-	-	3.3	c) Pension and other post-retirement benefit obligations
		-	-	-	-	-	-	-	-	-	766.9	d) Other provisions
110	Valuation reserves	52.6	-	-	-	-	-	-	-	(52.6)	-	
140	Reserves	1,855.6	-	-	-	-	-	-	-	(1,855.6)	-	
		-	-	-	-	-	-	-	-	-	11,284.6	Net equity
		-	-	-	-	-	-	-	-	52.6	52.6	a) Valuation reserves
		-	-	-	-	-	-	-	-	-	-	b) Redeemable shares
		-	-	-	-	-	-	-	-	-	-	c) Equity Instruments
		-	-	-	-	-	-	-	-	1,855.6	1,855.6	d) Reserves
		-	-	-	-	-	-	-	-	-	-	e) Share premium reserve
160	Share capital	7,453.5	-	-	-	-	-	-	-	-	7,453.5	f) Share capital
		-	-	-	-	-	-	-	-	-	-	g) Treasury shares (-)
		-	-	-	-	-	-	-	-	1,922.9	1,922.9	h) Net profit (loss) for the year
170	Treasury shares (-)	-	-	-	-	-	-	-	-	-	-	
180	Profit (loss) for the year (+/-)	1,922.9	-	-	-	-	-	-	-	(1,922.9)	-	
Total Liabilities and Shareholders' Equity		122,046.7	-	-	-	-	-	-	-	-	122,046.7	Total Liabilities and Shareholders' Equity

Disclosure of Independent auditors' fees

Pursuant to the provisions of art. 149-duodecies of the Consob Issuers' Regulations, the table below provides information on the fees paid to the Independent Auditors PricewaterhouseCoopers S.p.A. and to the companies belonging to the same network for the services detailed below:

Type of services	Pricewaterhousecoopers S.p.a.	PwC Network	Total
Auditing	1,524	45	1,569
Other attestation services	2,936	-	2,936
Other services	27	-	27
Total	4,487	45	4,532

Amounts are exclusive of V.A.T., ancillary expenses and CONSOB contribution.

PENSION FUNDS – Defined benefit pension funds without plan assets

Obligation for “Supplementary Pension Fund for personnel of former Provveditori”

Accounting statement as at 31 12 2025	(in units of Eur)
Opening balance as at 01 01 2025	1,920,868
Increases	95,544
- provisions for the year	50,227
- Other	45,317
Decreases	265,933
- Benefit paid	265,933
- Other	-
Closing balance as at 31 12 2025	1,750,479

“Supplementary Pension Fund for personnel of former Credito Lombardo”

Accounting statement as at 31 12 2025	(in units of Eur)
Opening balance as at 01 01 2025	1,333,880
Increases	86,461
- provisions for the year	36,603
- Other	49,858
Decreases	179,588
- Benefit paid	179,588
- Other	-
Closing balance as at 31 12 2025	1,240,753