



CONSOLIDATED FIRST HALF FINANCIAL
REPORT AS AT JUNE 30, 2025

FINECO

Consolidated First Half Financial Report as at June 30, 2025

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Board of Directors, Board of Statutory Auditors and External Auditors

Board of Directors

Marco Mangiagalli	Chairman
Gianmarco Montanari	Vice Chairman
Alessandro Foti	Chief Executive Officer and General Manager

Directors

Arturo Patarnello
Elena Biffi
Giancarla Branda
Maria Alessandra Zunino De Pignier
Maria Lucia Candida
Marin Gueorguiev
Paola Generali
Patrizia Albano

Board of Statutory Auditors

Luisa Marina Pasotti	Chairman
Giacomo Ramenghi Massimo Gatto	Standing Auditors
Lucia Montecamozzo Marco Salvatore	Alternate Auditors
KPMG S.p.A.	External Auditors

Erick Vecchi	Nominated Official in charge of drawing up Company Accounts
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The Board of Directors was appointed by the Ordinary Shareholders' Meeting of FinecoBank of April 27th, 2023 and will remain in office until the approval of the annual Financial Statements as at December 31st, 2025.

Registered office

Piazza Durante 11, 20131 Milan, Italy

"FinecoBank Banca Fineco S.p.A."

in abbreviated form "FinecoBank S.p.A.", or "Banca Fineco S.p.A." or "Fineco Banca S.p.A.".

Bank enrolled in the Register of Banks and Parent Company of the FinecoBank Banking Group – enrolled in the Register of Banking Groups at No. 3015, Member of the National Guarantee Fund and National Interbank Deposit Guarantee Fund.

Tax Code and Milan-Monza-Brianza-Lodi Companies Register no. 01392970404 – R.E.A. (Economic and Administrative Index) no. 1598155, VAT No. 12962340159

Introduction to the Consolidated First Half Financial Report

This Consolidated First Half Financial Report as at June 30th, 2025 of FinecoBank Group (hereinafter Group) - prepared in accordance with Article 154-ter, paragraph 2 of Legislative Decree No.58 of February 24th, 1998 - consists of the Condensed consolidated interim financial statements, including the Consolidated financial statements and related Notes to the accounts, and the Consolidated interim report on operations.

In implementation of Legislative Decree no. 38 of February 28th, 2005, this **Condensed consolidated interim financial statements**, which has been prepared in accordance with the IAS/IFRS issued by the International Accounting Standards Board (IASB), including the SIC and IFRIC interpretation documents, as endorsed by the European Commission, pursuant to EU Regulation 1606/2002 of July 19th, 2002 and applicable to financial reports for the periods starting on January 1st, 2025. In particular, it complies with the international accounting standard applicable for interim financial reporting (IAS 34). Based on paragraph 10 of this standard, FinecoBank Banca Fineco S.p.A. (hereinafter FinecoBank or Fineco or Bank or Parent Company) availed itself of the option to draw up the consolidated interim financial statements in the abbreviated version. It includes:

- the **Consolidated interim financial statements** comprise the Consolidated Balance Sheet, the Consolidated Income Statement, the Statement of Consolidated Comprehensive Income, the Statement of Changes in Consolidated Shareholders' Equity, the Consolidated Cash Flow Statement, presented with a comparison to the corresponding financial statements of 2024. As envisaged by IAS 34, the balance sheet figures have been compared with those as at December 31st, 2024, while the income statement, statement of comprehensive income, statement of changes in shareholders' equity and cash flow statement have been compared with the corresponding figures for the first half of the previous year reported in the Consolidated first half financial report as at June 30th, 2024;
- the **Notes to the accounts**, which in addition to the detailed information required by IAS 34, reported using the same tables as in the annual financial statements and those that are deemed useful to provide a true representation of the company situation.

The reclassified Financial Statements, their quarterly evolution and comments on the results for the first half of 2025 were provided in the **Consolidated interim report on operations**. In support of the comments on the results for the half-year, the reclassified Income Statement and reclassified balance sheet tables are presented and illustrated in the Consolidated interim report on operations, the reconciliation of which with the consolidated Financial Statements is shown in the Annexes (in line with Consob Communication No.6064293 of July 28th, 2006), and also other Alternative Performance Measures ("APMs") are used, the explanatory description of which regarding the content and, if applicable, the calculation methods used are shown in the Glossary (in line with the guidelines published on October 5th, 2015 by the European Securities and Markets Authority (ESMA/2015/1415)).

The Consolidated first-half financial report also includes the **Certification of the Condensed interim consolidated financial statements pursuant to Article 81-ter of Consob Regulation no. 11971 of May 14th, 1999 and subsequent amendments**, and is accompanied by the **Report on review of Condensed interim consolidated financial statements** issued by the External Auditors.

Any lack of correspondence between the figures shown in the Consolidated interim report on Operations and the Condensed interim consolidated financial statements is solely due to roundings.

The Condensed interim consolidated financial statements as at June 30th, 2025 were prepared by referring to the instructions on the financial statements of the banks pursuant to Circular 262 of December 22nd, 2005 "Banking financial statements: formats and compilation rules" and subsequent updates by the Bank of Italy.

Summary data

FinecoBank is one of the leading FinTech banks in Europe. Listed on the FTSE MIB, Fineco offers a unique business model in Europe, combining the best platforms with a large network of financial advisors (hereinafter Network). It offers banking, credit, trading and investment services from a single account through transactional and advisory platforms developed with proprietary technologies. Fineco is a leader in brokerage in Europe, and one of the most important players in Private Banking in Italy, with evolved and highly personalized advisory services. As at June 30th, 2025, the network consisted of 3,043 financial advisors, spread across the territory with 434 financial centers (Fineco Centers).

The FinecoBank Group consists of the Parent Company Fineco and Fineco Asset Management DAC (hereinafter Fineco AM), a collective asset management company under Irish law, whose mission is to develop investments solutions also in partnership with top international assets manager.

FinecoBank is listed on the Milan Stock Market and is included on Borsa Italiana's FTSE Mib index and STOXX Europe 600 Index.

On April 11th, 2025, S&P Global Ratings agency upgraded the rating assigned to Fineco from "BBB" to "BBB+" long-term with a stable outlook and "A-2" short-term.

FinecoBank is included in Borsa Italiana MIB ESG Index (Euronext), FTSE4Good, Bloomberg Gender Equality Index (GEI) 2023, S&P Global 1200 ESG Index and S&P Global Large Mid Cap ESG Index, Standard Ethics Italian Banks Index, and Standard Ethics Italian Index sustainability indices. In addition:

- Standard Ethics: rating of "EEE-", on a scale ranging from F to EEE, and Stable Outlook;
- Sustainalytics: ESG risk rating of 12.1 (Low risk), on a scale of 100 (worst performance - Severe) to 0 (best performance - Negligible);
- S&P Global ESG Score: score of 68 out of 100;
- CDP Climate Change: rating of "B", upgraded compared to previous "C", on a scale of "D-" to "A";
- MSCI: ESG rating of "AA", leader among the diversified financials, on a scale of "CCC" to "AAA";
- Moody's Analytics: ESG overall score of 59 points out of 100;
- LSEG ESG Score: score of 82 out of 100.

Sales recorded during the first half of 2025 highlights how the Group is resolutely continuing its growth trajectory, further improving its ability to attract new clients and reaching historical record in new clients acquisition over a six-month period: 99,724 new clients were acquired during the first half of 2025, bringing the total to 1,729,579. In this context, both the role of the network of financial advisors in supporting clients with efficient, long-term planning and Fineco AM's ability to constantly innovate its offering are once again proving crucial. Finally, savers' growing interest in interacting with the financial markets is reflected in an expansion of the brokerage client base, which has increased its revenues even in a market environment characterized by low volumes.

Total net sales came to € 6,632 million during the first half 2025. In particular, the net sales of assets under custody, the net sales of assets under management and the direct deposits recorded positive net inflows of € 2,617 million, € 3,675 million and € 340 million respectively, Fineco AM's ratio, calculated by comparing the company's net retail sales to net sales of assets under management, is 69% (85% in 2024). During first half 2025, net sales through the Network totaled € 4,967 million.

As at June 30th, 2025, the balance of Total Financial Assets from customers stood at € 147,814 million, up 5.0% compared to € 140,766 million at the end of 2024, mainly thanks to the net sales recorded in the first six months of 2025. As at June 30th, 2025 the balance of Total Financial Assets of the Network amounted to € 127,167 million. The balance of Total Financial Assets related to Private customers, i.e. with assets above € 500,000, totaled € 72,581 million, equals to 49.1% of the Group's Total Financial Assets, up by 6.1% compared to December 31st, 2024.

Credit quality remains high, driven by the principle of offering credit exclusively to existing customers, leveraging appropriate analysis tools from the rich internal information base. The cost of risk, which stands at 6 bps, remains structurally low and as at June 30th, 2025 net impaired loans were 0.15% of loans to ordinary customers.

Net profit for the period stood at € 317.8 million (€ 320.3 million as at June 30th, 2024) and the cost/income ratio amounted to 26.87% (24.36% as at June 30th, 2024).

As at June 30th, 2025, the Common Equity Tier 1 ratio stood at 23.46%, down from 25.91% as at December 31st, 2024 following the introduction of the CRR III starting from 1 January 2025. The leverage ratio stands at 5.20% (5.22% recorded at the end of 2024).

The Group's liquidity indicators as of June 30th, 2025, remain very solid: the Liquidity Coverage Ratio (LCR) is 912%¹ and the Net Stable Funding Ratio (NSFR) is 403%.

¹ Calculated as the average of the liquidity coverage ratio based on month-end observations over the last 12 months for each quarter of the relevant reporting period, consistent with Pillar III Disclosures.

Summary data

Reclassified financial statements and indicators

The Consolidated interim report on operations presents and illustrates the reclassified income statement and balance sheet (Alternative Performance Measures “APMs”). The main reclassifications and aggregations of the items reported in the reclassified financial statements are shown at the end of the Reclassified Consolidated Income Statement and Reclassified Consolidated Balance Sheet, whereas the full reconciliation of which with the consolidated financial statements is shown in the Annexes “Reconciliation of reclassified consolidated accounts to mandatory reporting schedule” (in line with Consob Communication No.6064293 of July 28th, 2006). In addition, other APMs are also used, the content and, where applicable, the calculation methods used of which are described in the Glossary (in line with the guidelines published on October 5th, 2015 by the European Securities and Markets Authority ESMA/2015/1415).

With reference to APMs, the European Securities and Markets Authority (ESMA) has issued specific guidelines² on the criteria for their presentation in regulated information, including therefore this Consolidated interim financial report, when such indicators are not defined or provided for in the financial reporting framework. These guidelines are intended to promote the usefulness and transparency of APMs, and compliance with them will improve the comparability, reliability and understandability of APMs, with consequent benefits for users of financial information. Consob adopted the Guidelines in Italy and incorporated them into its own supervisory practices³. According to the definition of the ESMA Guidelines, an APM is a financial measure of historical or future financial performance, financial position or cash flows, other than a financial measure defined or specified in the applicable financial reporting frameworks and is usually derived from financial statement items prepared in accordance with applicable financial reporting frameworks. Financial measures published in accordance with prudential requirements are not strictly speaking part of the definition of APMs.

² ESMA/2015/1415.

³ Consob Communication No. 0092543 of December 3rd, 2015.

Summary data

Reclassified Accounts

Consolidated balance sheet

(Amounts in € thousand)

ASSETS	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amounts	%
Cash and cash balances	1,603,940	1,962,876	(358,936)	-18.3%
Financial assets held for trading	46,224	28,539	17,685	62.0%
Receivables to banks	419,121	370,733	48,388	13.1%
Receivables to customers	6,169,028	6,235,643	(66,615)	-1.1%
Financial investments	25,091,833	23,425,447	1,666,386	7.1%
Hedging instruments	453,127	527,272	(74,145)	-14.1%
Property, plant and equipment	144,174	146,296	(2,122)	-1.5%
Goodwill	89,602	89,602	-	n.a.
Other intangible assets	34,579	35,242	(663)	-1.9%
Tax assets	30,275	53,250	(22,975)	-43.1%
Tax credits acquired	847,707	1,259,059	(411,352)	-32.7%
Other assets	429,567	554,858	(125,291)	-22.6%
Total assets	35,359,177	34,688,817	670,360	1.9%

(Amounts in € thousand)

LIABILITIES AND SHAREHOLDERS' EQUITY	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amounts	%
Due to banks	859,635	850,600	9,035	1.1%
Due to customers	30,680,880	29,988,914	691,966	2.3%
Debt securities in issue	804,934	810,228	(5,294)	-0.7%
Financial liabilities held for trading	26,464	8,130	18,334	225.5%
Hedging instruments	43,642	45,321	(1,679)	-3.7%
Tax liabilities	11,148	19,519	(8,371)	-42.9%
Other liabilities	688,185	576,793	111,392	19.3%
Shareholders' equity	2,244,289	2,389,312	(145,023)	-6.1%
- capital and reserves	1,944,441	1,756,076	188,365	10.7%
- revaluation reserves	(17,988)	(19,049)	1,061	-5.6%
- net profit	317,836	652,285	(334,449)	-51.3%
Total liabilities and Shareholders' equity	35,359,177	34,688,817	670,360	1.9%

Summary data

Consolidated balance sheet – Quarterly data

(Amounts in € thousand)

ASSETS	Amounts as at				
	06/30/2025	03/31/2025	12/31/2024	09/30/2024	06/30/2024
Cash and cash balances	1,603,940	1,779,492	1,962,876	2,863,043	2,833,922
Financial assets held for trading	46,224	39,245	28,539	21,365	21,214
Loans to banks	419,121	408,331	370,733	429,706	388,285
Loans to customers	6,169,028	6,132,162	6,235,643	6,050,507	6,116,128
Financial investments	25,091,833	23,694,771	23,425,447	21,510,148	20,729,052
Hedging instruments	453,127	509,769	527,272	562,503	737,713
Property, plant and equipment	144,174	144,753	146,296	141,645	142,826
Goodwill	89,602	89,602	89,602	89,602	89,602
Other intangible assets	34,579	35,056	35,242	33,306	33,515
Tax assets	30,275	32,406	53,250	49,503	49,466
Tax credits acquired	847,707	1,170,502	1,259,059	1,317,226	1,298,821
Other assets	429,567	384,571	554,858	347,013	341,226
Total assets	35,359,177	34,420,660	34,688,817	33,415,567	32,781,770

(Amounts in € thousand)

LIABILITIES AND SHAREHOLDERS' EQUITY	Amounts as at				
	06/30/2025	03/31/2025	12/31/2024	09/30/2024	06/30/2024
Due to banks	859,635	892,762	850,600	925,420	1,171,776
Due to customers	30,680,880	29,530,837	29,988,914	28,580,571	28,005,234
Debt securities in issue	804,934	800,619	810,228	808,368	804,009
Financial liabilities held for trading	26,464	19,656	8,130	14,599	9,722
Hedging instruments	43,642	30,225	45,321	38,733	(1,366)
Tax liabilities	11,148	65,562	19,519	100,174	33,418
Other liabilities	688,185	538,222	576,793	573,759	544,316
Shareholders' equity	2,244,289	2,542,777	2,389,312	2,373,943	2,214,661
- capital and reserves	1,944,441	2,395,302	1,756,076	1,889,060	1,900,957
- revaluation reserves	(17,988)	(16,716)	(19,049)	(5,112)	(6,616)
- net profit	317,836	164,191	652,285	489,995	320,320
Total liabilities and Shareholders' equity	35,359,177	34,420,660	34,688,817	33,415,567	32,781,770

Summary data

The main reclassifications and combinations of asset items in the reclassified consolidated balance sheet concern the following:

- debt securities accounted for under item "40. Financial assets at amortised cost, a) loans to banks" and under item "40. Financial assets at amortised cost, b) loans to customers" are reclassified and shown under "Financial investments". In the same combination, securities accounted for under item "20. Financial assets at fair value through profit and loss c) other financial assets mandatorily at fair value", "30. Financial assets at fair value through other comprehensive income" and "70. Equity investments" are shown;
- financial assets accounted for under item "40. Financial assets at amortised cost, a) receivables to banks" and under item "40. Financial assets at amortised cost, b) receivables to customers" other than debt securities are shown, respectively, under item "Loans to banks" and "Loans to customers";
- items "50. Hedging derivatives" and "60. Changes in fair value of portfolio hedged financial assets (+/-)" are combined and shown under item "Hedging instruments" in assets;
- the credits acquired as part of Decree Law 34/2020, accounted for under item "130. Other assets", are shown under "Tax credits acquired".

With reference to the liabilities in the reclassified consolidated balance sheet, the main reclassifications and combinations of the items concern the following:

- items "40. Hedging derivatives" and "50. Changes in fair value of portfolio hedged financial liabilities (+/-)" are combined and shown under item "Hedging instruments" in liabilities;
- items "80. Other liabilities", "90. Provision for employee severance pay" and "100. Provisions for risks and charges" are combined and shown under item "Other liabilities";
- items that represent the Shareholder's equity are combined and shown under item "Shareholders' equity".

Summary data

Consolidated Income Statement

(Amounts in € thousand)

	1st half		Changes	
	2025	2024	Amounts	%
Financial margin	315,041	363,257	(48,216)	-13.3%
of which Net interest	315,840	361,498	(45,658)	-12.6%
of which Profits from Treasury	(799)	1,759	(2,558)	n.a.
Dividends and other income from equity investments	10	8	2	25.0%
Net commissions	278,231	257,182	21,049	8.2%
Net trading, hedging and fair value income	52,151	37,708	14,443	38.3%
Net other expenses/income	(1,082)	148	(1,230)	n.a.
REVENUES	644,351	658,303	(13,952)	-2.1%
Staff expenses	(73,783)	(67,023)	(6,760)	10.1%
Other administrative expenses	(196,904)	(178,214)	(18,690)	10.5%
Recovery of expenses	111,067	97,510	13,557	13.9%
Impairment/write-backs on intangible and tangible assets	(13,506)	(12,617)	(889)	7.0%
Operating costs	(173,126)	(160,344)	(12,782)	8.0%
OPERATING PROFIT (LOSS)	471,225	497,959	(26,734)	-5.4%
Net impairment on loans and provisions for guarantees and commitments	(2,573)	(1,689)	(884)	52.3%
NET OPERATING PROFIT (LOSS)	468,652	496,270	(27,618)	-5.6%
Other charges and provisions	(7,721)	(37,653)	29,932	-79.5%
Net income from investments	(1,013)	981	(1,994)	n.a.
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	459,918	459,598	320	0.1%
Income tax for the period	(142,082)	(139,278)	(2,804)	2.0%
NET PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	317,836	320,320	(2,484)	-0.8%
NET PROFIT (LOSS) FOR THE PERIOD	317,836	320,320	(2,484)	-0.8%
NET PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE GROUP	317,836	320,320	(2,484)	-0.8%

Consolidated interim report on operations

Summary data

Consolidated Income Statement – Quarterly data

(Amounts in € thousand)

	2025	
	1st Quarter	2nd Quarter
Financial margin	161,321	153,720
of which Net interest	161,220	154,620
of which Profits from Treasury	101	(900)
Dividends and other income from equity investments	(24)	34
Net commissions	140,420	137,811
Net trading, hedging and fair value income	27,328	24,823
Net other expenses/income	231	(1,313)
REVENUES	329,276	315,075
Staff expenses	(36,374)	(37,409)
Other administrative expenses	(98,480)	(98,424)
Recovery of expenses	54,109	56,958
Impairment/write-backs on intangible and tangible assets	(6,505)	(7,001)
Operating costs	(87,250)	(85,876)
OPERATING PROFIT (LOSS)	242,026	229,199
Net impairment on loans and provisions for guarantees and commitments	(874)	(1,699)
NET OPERATING PROFIT (LOSS)	241,152	227,500
Other charges and provisions	(3,806)	(3,915)
Net income from investments	(961)	(52)
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	236,385	223,533
Income tax for the period	(72,194)	(69,888)
NET PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	164,191	153,645
NET PROFIT (LOSS) FOR THE PERIOD	164,191	153,645
NET PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE GROUP	164,191	153,645

Summary data

(Amounts in € thousand)

	2024			
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Financial margin	180,762	182,495	177,574	170,331
of which Net interest	179,003	182,495	178,533	170,423
of which Profits from Treasury	1,759	-	(959)	(92)
Dividends and other income from equity investments	(7)	15	1	8
Net commissions	128,582	128,600	129,986	139,858
Net trading, hedging and fair value income	17,489	20,219	18,368	22,967
Net other expenses/income	177	(29)	(176)	(745)
REVENUES	327,003	331,300	325,753	332,419
Staff expenses	(33,389)	(33,634)	(35,083)	(35,741)
Other administrative expenses	(87,314)	(90,900)	(89,794)	(102,010)
Recovery of expenses	47,818	49,692	52,529	51,619
Impairment/write-backs on intangible and tangible assets	(6,403)	(6,214)	(6,437)	(6,737)
Operating costs	(79,288)	(81,056)	(78,785)	(92,869)
OPERATING PROFIT (LOSS)	247,715	250,244	246,968	239,550
Net impairment on loans and provisions for guarantees and commitments	(260)	(1,429)	(985)	586
NET OPERATING PROFIT (LOSS)	247,455	248,815	245,983	240,136
Other charges and provisions	(38,110)	457	(3,539)	(3,681)
Net income from investments	399	582	817	(30)
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	209,744	249,854	243,261	236,425
Income tax for the period	(62,738)	(76,540)	(73,586)	(74,135)
NET PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	147,006	173,314	169,675	162,290
NET PROFIT (LOSS) FOR THE PERIOD	147,006	173,314	169,675	162,290
NET PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE GROUP	147,006	173,314	169,675	162,290

Summary data

The main reclassifications and combinations of items of the reclassified consolidated income statement concern the following:

- under item “Financial margin”, item “30. Net interest margin” is shown and gains and losses on disposal or repurchase of non-impaired debt securities accounted for item “100. Gains and losses on disposal or repurchase of: a) financial assets at amortised cost – debt securities” and “100. Gains (Losses) on disposal and repurchase of: b) financial assets at fair value through other comprehensive income – debt securities” are reclassified and shown. In the same aggregate, income from securities lending activities performed by the Parent Company’s treasury, recorded under item “40. Commission income”, is included;
- under item “Dividends and other income from equity investments”, in addition to dividends received on equity investments valued at cost, if any, write-backs (write-downs) of investments accounted for using the equity method, recorded under item “250. Profit (loss) on equity investments”, are reclassified;
- item “Net commissions”, includes item “60. Net commissions”, less net commissions on Treasury securities lending carried out by Parent Company’s treasury, and, if present, the other charges/income related to the asset manager activity performed by the subsidiary Fineco AM related to the application of the Fixed Operating Expenses model, recorded under item “230. Other operating income/charges”, have been reclassified and shown;
- under item “Net trading, hedging and fair value income”, items “80. Net income) on financial assets and liabilities held for trading”, “90. Fair value adjustments in hedge accounting”, “100. Gains (losses) on disposal or repurchase of: b) financial asset at fair value through other comprehensive income”, less unimpaired debt securities shown under item “Financial margin”, and “110. Net income on financial assets and liabilities at fair value through profit or loss” are aggregated and shown. In the same aggregate dividends and similar revenues from held-for-trading or mandatorily at fair value equity instruments, recorded under item “70. Dividend income and similar revenue”, are reclassified and shown;
- net impairment/write-backs of leasehold improvements, recorded under item “230. Other operating income/charges”, are shown in item “Other administrative expenses”;
- recovery of expenses, recorded under item “230. Other operating income/charges”, are shown in item “Recovery of expenses”;
- contributions to the Single Resolution Fund (SRF) and Deposit Guarantee Schemes (DGS) and Life insurance guarantee fund, recorded under item “190. Administrative expenses - b) other administrative expenses”, are reclassified and shown, if present, in item “Other charges and provisions”. In the same aggregate item “200. Net provisions for risks and charges” is shown;
- net impairment/write-backs for credit risk on debt securities, recorded under item “130. Net impairment/write-backs for credit on: a) financial assets at amortised cost” and “130. Net impairment/writebacks on: b) financial assets at fair value through other comprehensive income”, are reclassified and shown in item “Net income from investments”.

Summary data

Main balance sheet figures

(Amounts in € thousand)

	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amounts	%
Loans to ordinary customers ⁽¹⁾	5,208,841	5,242,769	(33,928)	-0.6%
Total assets	35,359,177	34,688,817	670,360	1.9%
Direct deposits ⁽²⁾	30,012,790	29,668,225	344,565	1.2%
Indirect TFA ⁽³⁾	117,801,660	111,097,547	6,704,113	6.0%
Total Financial Assets (direct and indirect)	147,814,450	140,765,772	7,048,678	5.0%
Shareholders' equity	2,244,289	2,389,312	(145,023)	-6.1%

(1) Loans to ordinary customers refer solely to loans granted to customers (current account overdrafts, credit cards, personal loans, mortgages and unsecured loans).

(2) Direct customer deposits include overdrawn current accounts and Cash Park deposit accounts.

(3) Indirect TFA consist of products placed online or through FinecoBank financial advisors.

Operating structure

	Data as at		
	06/30/2025	12/31/2024	06/30/2024
No. Employees	1,490	1,451	1,419
No. Financial advisors	3,043	3,002	2,982
No. Financial centers ¹	434	438	429

(1) Number of operating financial centers: financial centers managed by the Bank and financial centers managed by personal financial advisors (so called Fineco Centers).

Consolidated interim report on operations

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Profitability, productivity and efficiency ratios

(Amounts in € thousand)

	Data as at		
	06/30/2025	12/31/2024	06/30/2024
Financial margin/Revenues	48.89%	54.02%	55.18%
Income from brokerage and other income/Revenues	51.11%	45.98%	44.82%
Income from brokerage and other income/Operating costs	190.21%	182.32%	184.00%
Cost/income ratio	26.87%	25.22%	24.36%
Operating costs/TFA	0.24%	0.25%	0.25%
ROE	28.10%	27.08%	28.84%
RAROE	24.43%	23.64%	25.32%
Return on assets	1.80%	1.88%	1.95%
EVA (calculated on regulatory capital)	276,336	569,370	281,652
EVA (calculated on accounting capital)	207,193	376,797	192,645
RARORAC (calculated on regulatory capital)	65.65%	79.18%	83.79%
RARORAC (calculated on accounting capital)	18.46%	16.27%	17.40%
ROAC (calculated on regulatory capital)	75.51%	90.71%	95.29%
ROAC (calculated on accounting capital)	28.32%	27.30%	28.93%
Total sales to customers/Average employees	100,486	99,271	93,634
Total sales to customers/(Average employees + average PFAs)	32,892	31,992	30,012

Key

Income from brokerage and other income: Net commissions, Net trading, hedging and fair value income and Net other expenses/income.

Cost/income ratio: Operating Costs divided by Revenues.

Operating costs/TFA: ratio of operating costs, annualised for data as of June 30, to Total Financial Assets (direct and indirect). The TFA used for the ratio is the average for the year, calculated as the average between the balance at the reference date and the balance as at the previous December 31st.

Cost of risk: is the ratio of Net impairment of loans to customers in the last 12 months, referring only to loans to ordinary customers, and to loans to ordinary customers (average of the averages of the last four quarters, calculated as the average balance at the end of the quarter and the balance at the end of the previous quarter).

ROE: ratio between the net profit (loss) for the period and the shareholders' equity (excluding the revaluation reserves) at the end of the period. ROE published in the 2024 consolidated interim financial report was calculated using the average shareholders' equity (average of quarters end) as the denominator, therefore, the comparative figure for June 2024 was recalculated and restated. The net profit (loss) for the period as of June 30th, 2025 and June 30th, 2024 has been annualised.

RAROE (Risk Adjusted Return on Equity): ratio between net profit (loss) for the period less cost of capital and equity excluding revaluation reserves, at the end of the period, where the cost of capital is calculated on the capital absorbed, determined using the CET1 ratio Tolerance. The net profit (loss) for the period as of June 30th, 2025 and June 30th, 2024 has been annualised.

ROA (Return on assets): ratio of net profit (loss) for the period to total assets. The net profit (loss) for the period as of June 30th, 2025 and June 30th, 2024 has been annualised.

EVA (Economic Value Added): shows the firm's ability to create value; it's calculated as the difference between net profit (loss) for the period, excluding extraordinary charges/income and related tax effects, and the figurative cost of the allocated capital calculated using both regulatory capital and accounting shareholders' equity at the end of the period. EVA published in the 2024 consolidated interim financial report was calculated using both the average of the year's quarters regulatory capital and shareholders' equity (average of quarters end) as the denominator, therefore, the comparative figure for June 2024 was recalculated and restated.

RARORAC (Risk adjusted Return on Risk adjusted Capital): it's calculated both as the ratio between EVA, annualized for data as of June 30, and the regulatory capital at the end of the period and as the ratio between EVA, annualized for data as of June 30, and shareholders' equity at the end of the period and expresses in percentage terms the capacity to create value per unit of risk taken. RARORAC published in the 2024 consolidated interim financial report was calculated using both the average of the year's quarters regulatory capital and shareholders' equity (average of quarters end) as the denominator, therefore, the comparative figure for June 2024 was recalculated and restated.

ROAC (Return on Allocated Capital): it's calculated both as the ratio of net profit (loss) for the period and the regulatory capital of the period and as the ratio between net profit (loss) for the period and shareholders' equity for the period. ROAC published in the 2024 consolidated interim financial report was calculated using both the average of the year's quarters regulatory capital and shareholders' equity (average of quarters end) as the denominator, therefore, the comparative figure for June 2024 was recalculated and restated.

Consolidated interim report on operations

Summary data

Balance Sheet indicators

	Data as at	
	06/30/2025	12/31/2024
Loans to ordinary customers/Total assets	14.73%	15.11%
Loans to banks/Total assets	1.19%	1.07%
Financial assets/Total assets	70.96%	67.53%
Direct sales/Total liabilities and Shareholders' equity	84.88%	85.53%
Shareholders' equity (including profit)/Total liabilities and Shareholders' equity	6.35%	6.89%
Loans to ordinary customers/Direct deposits	17.36%	17.67%

Credit quality	Data as at	
	06/30/2025	12/31/2024
Non-performing loans/Loans to ordinary customers	0.15%	0.08%
Bad loans/Loans to ordinary customers	0.02%	0.02%
Coverage ratio ⁽¹⁾ - Bad loans	93.47%	95.37%
Coverage ratio ⁽¹⁾ - Unlikely to pay	71.45%	72.37%
Coverage ratio ⁽¹⁾ - Impaired past-due exposures	33.78%	60.67%
Coverage ratio ⁽¹⁾ - Total Non-performing loans	74.52%	85.15%

(1) Calculated as the ratio between the amount of impairment provision and gross exposure.

Consolidated Own funds and capital ratios

	Data as at	
	06/30/2025	12/31/2024
Common Equity Tier 1 Capital (€ thousand)	1,362,026	1,311,917
Total Own Funds (€ thousand)	1,862,026	1,811,917
Total risk-weighted assets (€ thousand)	5,805,481	5,064,224
Ratio - Common Equity Tier 1 Capital	23.46%	25.91%
Ratio - Tier 1 Capital	32.07%	35.78%
Ratio - Total Own Funds	32.07%	35.78%

	Data as at	
	06/30/2025	12/31/2024
Tier 1 Capital (€ thousand)	1,862,026	1,811,917
Exposure for leverage (€ thousand)	35,812,644	34,736,372
Leverage ratio	5.20%	5.22%

Summary data

The macroeconomic scenario and monetary policy

According to projections prepared by experts from the Eurosystem and the European Central Bank, global real GDP growth would be 3.1% in 2025, down from 3.6% last year, and would decline further to 2.9% in 2026, before stabilizing at 3.2% in 2027. The increase in tariffs imposed by the US administration, combined with the high level of uncertainty surrounding trade policies, however, could have repercussions on economic activity and dampen global growth prospects.

Regarding the outlook for the euro area, the June 2025 Eurosystem and European Central Bank staff projections, in which the baseline scenario assumes that US tariffs on EU goods will remain at 10% over the entire projection horizon, show real GDP growth averaging 0.9% in 2025, 1.1% in 2026 and 1.3% in 2027, down from the December 2024 projections. Compared with the March 2025 macroeconomic projections, growth is projected to be unchanged for 2025, reflecting a stronger-than-expected performance in the first quarter combined with a weaker outlook for the rest of the year, a decline of 0.1% in 2026 and no change in 2027. While trade policy uncertainty is expected to weigh on business investment and the prospects for the rest of the year, the outlook for 2027 is likely to be unchanged. While trade policy uncertainty is expected to weigh on business investment and exports, especially in the short term, increased public investment in defense and infrastructure will increasingly support growth in the medium term. Rising real incomes and a robust labor market will allow households to spend more. Combined with more favorable financing conditions, this should increase the economy's resilience to global shocks.

In June 2025, inflation remained close to the 2% medium-term objective pursued by the Governing Council of the European Central Bank. In the baseline scenario of the Eurosystem staff projections, headline inflation would average at 2.0% in 2025, 1.6% in 2026, and 2.0% in 2027. The downward revisions of 0.3 percentage points for 2025 and 2026 compared to the March projections primarily reflect assumptions of lower energy prices and a strengthening euro. The staff expect inflation excluding energy and food to average 2.4% in 2025 and 1.9% in 2026 and 2027, essentially unchanged from March.

In this scenario, the Governing Council of the European Central Bank decided, on several occasions, to reduce its three key interest rates during the first half of 2025. At its latest meeting on July 24, 2025, the interest rates on the deposit facility, the main refinancing operations, and the marginal lending facility have been kept stable to 2%, 2.15% and 2.40%, respectively. The Federal Reserve, however, kept interest rates unchanged in the range of 4.25% to 4.50% during the first half of 2025. As for the portfolios of the Asset Purchase Programme (APP) and the Pandemic Emergency Purchase Programme (PEPP), both are decreasing at a measured and predictable pace, given that the Eurosystem no longer reinvests the principal repayments on maturing securities.

In Italy, GDP continued to expand moderately in the first quarter of 2025, supported by both domestic and foreign demand. As in other countries, exports increased significantly, particularly to the United States, presumably anticipating the implementation of the new tariffs. According to the Bank of Italy's assessments, the Italian economy continued to grow in the second quarter, albeit with a slight deceleration. Activity increased in both industry and services. Consumption growth remained modest, while investment slowed, reflecting ongoing uncertainty.

According to the macroeconomic projections prepared by the Bank of Italy as part of the Eurosystem coordinated exercise published in June, which assume a 10 percentage point increase in US tariffs on imports of goods for all economies except China, where they would increase by approximately 20 points, bringing the effective level of tariffs on goods and services close to 40%, and excluding retaliation from the European Union, GDP will increase by 0.6% in 2025, 0.8% in 2026, and 0.7% in 2027. The expansion of economic activity will be driven primarily by consumption, supported by the recovery in real disposable income. Investment trends will be affected by high uncertainty, but will benefit from the PNRR measures and the gradual improvement in financing conditions. Export will be significantly penalized by the effects of the tightening of trade policies. The Bank of Italy estimates that tariffs will reduce GDP growth by approximately 0.5 percentage points overall in the three-year period 2025-27. Employment is expected to expand, albeit at a slower pace than in recent years and generally more moderate than GDP growth. Labor supply is also expected to slow, due to a substantial stability in the working-age population and a slower increase in labor market participation. The unemployment rate is expected to remain stable overall over the forecast horizon. The Bank of Italy estimates that inflation will remain low, averaging around 1.5% in 2025 and 2026, before rising to 2% in 2027, reflecting the temporary increase in energy prices due to the introduction of the new greenhouse gas emissions trading system in the European Union. Excluding energy and food, consumer price growth is expected to average 1.8% in 2026 and 1.6% in 2026-2027.

The Russian-Ukrainian conflict

As at June 30th, 2025, the context resulting from the Russia-Ukraine conflict in which the Group operates is substantially unchanged from that illustrated in the Annual Report as at December 31st, 2024.

In fact, the Group has no direct exposure to Russian assets affected by the conflict and indirect exposures, represented by collateral received as part of pledge-backed financing transactions (Credit Lombard and pledged overdraft), are of insignificant amounts. The Group has no direct commodity exposures and has limited ruble exposure. With reference to: (i) obligations to freeze funds with respect to sanctioned persons and entities, (ii) restrictions on the buying and selling of certain securities because they are issued by or related to sanctioned issuers, (iii) restrictions on financial flows to and from Russia, both in terms of prohibiting credit exposure to sanctioned entities and in terms of prohibiting the acceptance of deposits from Russian nationals or individuals or legal entities residing in Russia subject to specific exceptions, (iv) to the obligations to report to the relevant authorities, the Group uses safeguards to monitor the names of sanctioned individuals and entities and the ISINs of sanctioned financial instruments, which are necessary to initiate the consequent asset freezing activities required by the regulations. As of June 30th, 2025, there were no direct or

Summary data

indirect exposures to individuals or entities subject to sanction measures applicable to the Group, so no asset freezing actions required by the regulations have been implemented on the individuals concerned. Finally, the Group constantly monitors the evolution of the regulatory framework of reference through information tools that enable the timely updating of the sanctions framework applicable to the Bank and the appropriate adjustment of the safeguards in place.

In the first half of 2025, therefore, there is no impact on the Group's economic and financial situation, and also from a prospective viewpoint there is no impact in terms of strategic orientation, objectives and business model.

Summary data

Events during the period

Shareholders' Meeting

On April 29th, 2025, the FinecoBank Shareholders' Meeting was held and resolved favorably on all items on the agenda.

In the ordinary session, the resolutions concerned:

- approval of the Financial Statements for the year 2024 of FinecoBank S.p.A.;
- allocation of FinecoBank S.p.A.'s 2024 net profit of the year;
- the adjustment of the fees of the Auditing Firm KPMG S.p.A. for carrying out activities related to the certification of the conformity of sustainability reporting in compliance with the changed regulatory framework following the entry into force of Legislative Decree no. 125 of 6 September 2024, implementing Directive 2022/2464/EU of 14 December 2022 ("Corporate Sustainability Reporting Directive" or "CSRD"), with reference to the financial years ending on 31 December 2030;
- 2025 Remuneration Policy;
- 2024 Remuneration Report;
- 2025 Incentive System for Employees identified as Most Relevant Personnel;
- 2025 Incentive System for Financial Advisors identified as "Most Relevant Personnel";
- authorization to purchase and dispose of treasury shares to service the 2025 PFA Incentive System.

At the extraordinary session, the resolutions concerned:

- the delegation to the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, of the power to resolve in 2030, within the limits of the law, a free capital increase, pursuant to Article 2349 of the Italian Civil Code, for a maximum of €42,754.47 corresponding to a maximum number of 129,559 FinecoBank ordinary shares with a par value of €0.33 each, having the same characteristics as those currently outstanding and regular dividend entitlement, to be granted to FinecoBank's 2024 Key Personnel, for the purpose of completing the implementation of the 2024 Incentive System and; consequent amendments to the Articles of Association;
- the delegation to the Board of Directors, pursuant to Article 2443 of the Italian Civil Code, of the power to resolve, even on multiple occasions and for a maximum period of five years from the date of the Shareholders' Meeting resolution, a free capital increase, pursuant to Article 2349 of the Italian Civil Code, for a maximum amount of €154,106.37 (to be allocated entirely to capital), with the issue of a maximum of 466,989 new FinecoBank ordinary shares with a nominal value of €0.33 each, having the same characteristics as those in circulation, regular dividend entitlement, to be assigned to FinecoBank's 2025 Key Personnel, for the purposes of implementing the 2025 Incentive System and consequent amendments to the Articles of Association.

With reference to the allocation of FinecoBank S.p.A.'s 2024 result, the Shareholders' Meeting approved the proposals formulated by the Board of Directors, which provide, among other things, for the distribution to the Shareholders of a unit dividend of € 0.74 per share, for a total amount of € 452,6 million. Dividend was paid, in accordance with the applicable laws and regulations, on May 21st, 2025 with an "ex-dividend" date of May 19th, 2025. Pursuant to Article 83-terdecies of Legislative Decree No. 58 of February 24, 1998 ("TUF"), those who were shareholders on the basis of the evidence of the accounts relating to the end of the accounting day of May 20th, 2025 were, therefore, entitled to receive the dividend.

Business performance

Performance of total financial assets

As at June 30th, 2025 the balance of total financial assets (direct and indirect) amounted to € 147,814 million up 5.0% compared to December 31st, 2024, mainly thanks to assets under custody-AUC and assets under management-AUM realised in the period. The balance of indirect total financial assets (assets under management-AUM and assets under custody-AUC) amounted to € 117,802 million, up from € 111,098 million as at December 31st, 2024 (+6.0%). The incidence of retail financial assets managed by FAM on total financial assets is equal to 38.7%.

Direct deposits, amounting to € 30,013 million is driven by the high appreciation degree of the quality of services offered by the Group – indeed the preponderant amount of direct deposits is of a “transactional” nature, supporting the overall operations of customers.

Fineco's market share of total financial assets as of December 31, 2024, was 2.33% (latest available data).

During the first half of 2025, net inflows totaled € 6.632 million, up 32.2% compared to the same period in 2024, confirming the Group's accelerating growth. The funding mix showed a significant improvement compared to the previous year: assets under management totaled € 2.617 million (€1.452 million in the first half of 2024), assets under custody stood at € 3.675 million (€ 4.431 million in the first half of 2024), and direct deposits amounted to € 340 million (-€ 866 million in the first half of 2024).

The table below shows the figures for the balance of total financial assets (direct and indirect) of the Bank's customers, including both those linked to a financial advisor and those operating exclusively through the online channel.

Total financial assets

(Amounts in € thousand)

	Amounts as at		Amounts as at		Changes	
	06/30/2025	Comp%	12/31/2024	Comp%	Absolute	%
DIRECT DEPOSITS	30,012,790	20.3%	29,668,225	21.1%	344,565	1.2%
Current accounts and demand deposits	29,141,233	19.7%	28,568,868	20.3%	572,365	2.0%
Time deposits and reverse repos	871,557	0.6%	1,099,357	0.8%	(227,800)	-20.7%
ASSETS UNDER MANAGEMENT	68,576,505	46.4%	66,382,586	47.2%	2,193,919	3.3%
UCITS and other investment funds	47,512,796	32.1%	45,645,271	32.4%	1,867,525	4.1%
Insurance products	12,610,469	8.5%	12,944,305	9.2%	(333,836)	-2.6%
Assets under custody under advisory	7,987,402	5.4%	7,360,364	5.2%	627,038	8.5%
Other	465,838	0.3%	432,646	0.3%	33,192	7.7%
ASSETS UNDER CUSTODY	49,225,155	33.3%	44,714,961	31.8%	4,510,194	10.1%
Equities	27,011,261	18.3%	24,188,917	17.2%	2,822,344	11.7%
Bonds	21,979,055	14.9%	20,164,547	14.3%	1,814,508	9.0%
Third-party deposits	182,840	0.1%	303,642	0.2%	(120,802)	-39.8%
Other	51,999	0.0%	57,855	0.0%	(5,856)	-10.1%
TOTAL FINANCIAL ASSETS	147,814,450	100.0%	140,765,772	100.0%	7,048,678	5.0%
of which Advanced Advisory Service	35,944,443	24.3%	34,519,685	24.5%	1,424,758	4.1%

It should be noted that the percentage reported for Advanced Advisory Services, which is equal to 24.3% as at June 30th, 2025, is calculated by comparing their amounts with total financial assets amounts.

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Business performance

The table below shows the figures for net sales referred to assets under management and assets under custody during the first half 2025 compared with the same period of the previous year, for both customers linked to a financial advisor and online-only customers.

Net sales

(Amounts in € thousand)

	1st Half 2025	Comp %	1st Half 2024	Comp %	Changes	
					Absolute	%
DIRECT DEPOSITS	340,165	5.1%	(865,997)	-17.3%	1,206,162	-139.3%
Current accounts and demand deposits	572,274	8.6%	(1,293,967)	-25.8%	1,866,241	-144.2%
Time deposits and reverse repos	(232,109)	-3.5%	427,970	8.5%	(660,079)	-154.2%
ASSETS UNDER MANAGEMENT	2,616,916	39.5%	1,452,122	28.9%	1,164,794	80.2%
UCITS and other investment funds	2,275,487	34.3%	1,022,808	20.4%	1,252,679	122.5%
Insurance products	(291,230)	-4.4%	(827,588)	-16.5%	536,358	-64.8%
Assets under custody under advisory	602,805	9.1%	1,215,760	24.2%	(612,955)	-50.4%
Other	29,854	0.5%	41,142	0.8%	(11,288)	-27.4%
ASSETS UNDER CUSTODY	3,675,023	55.4%	4,431,490	88.3%	(756,467)	-17.1%
Equities	1,877,373	28.3%	1,180,402	23.5%	696,971	59.0%
Bonds	1,927,555	29.1%	3,366,471	67.1%	(1,438,916)	-42.7%
Third-party deposits	(120,802)	-1.8%	(95,554)	-1.9%	(25,248)	26.4%
Other	(9,103)	-0.1%	(19,829)	-0.4%	10,726	-54.1%
NET SALES	6,632,104	100.0%	5,017,615	100.0%	1,614,489	32.2%
of which Advanced Advisory Service	1,649,312	24.9%	1,999,731	39.9%	(350,419)	-17.5%

It should be noted that the percentage reported for Advanced Advisory Services, which is equal to 24.9% as at June 30th, 2025, is calculated by comparing their amounts with total net sales.

Business performance

Performance of main balance sheet aggregates

Cash and cash balances, equal to € 1,603.9 million down by € 358.9 million compared to the end of previous year (€1,962.9 million as at December 31st, 2024), as a result of FinecoBank's decision, in line with the changing market scenario, to invest part of the liquidity, previously employed in overnight deposits at the Bank of Italy, in bonds issued by supranational and government counterparties in the Eurozone. The item mainly consisted of the overnight deposit opened at the Bank of Italy, for a total amount of € 1,277 million, the liquidity deposited to the Bank of Italy net of the stock related to the minimum reserve requirement allocated for the current reporting period, which is represented in the item Loans to banks, for € 1.4 million, as well as liquidity deposited on current accounts with credit institutions mainly for the settlement of payment transactions, for the settlement of securities transactions and derivative contracts and for the management of Fineco AM's liquidity, for an amount of € 325.4 million.

Loans to banks amounted to € 419.1 million, increased of € 48.4 million compared to 31st December 2024, mainly due to the increase in variation margins, the deposit for mandatory reserves and deposits at banks.

Loans to customers came to € 6,169.0 million, decreasing by € 66.6 million compared to December 31st, 2024. With regard to loans and receivables to ordinary customers, the reduction of € 33.9 million is mainly due to the decrease in mortgage loans (€ -92.9 million) and credit card uses (€ -31.6 million), partially offset by increased use of current account overdrafts (+€ 86.2 million). Furthermore, there was a reduction in repurchase agreements (€ -27 million), which mainly include securities lending transactions guaranteed by sums of money, and in guarantee deposits, initial margins, and variation margins (€ -36.6 million), partially offset by loans provided to Cronos Vita Assicurazioni S.p.A. during the first half of 2025 (+€ 27.4 million). Impaired loans net of impairment provisions totaled € 7.7 million (€ 4.1 million as at December 31st, 2024) with a coverage ratio of 74.5%; the ratio between impaired loans and total loans to ordinary customers was 0.15% (0.08% as at December 31st, 2024).

Financial investments came to € 25,091.8 million, increasing by € 1,666.4 million compared to December 31st, 2024, mainly due to the purchases of debt securities at amortised cost in the first half of 2025. It should be noted that this item includes the net negative valuation of fixed-rate securities specifically subject to micro hedging against interest rate risk, in the amount of € 408.5 million (€ 459.7 million at December 31st, 2024).

Hedges recognised as assets in the balance sheet amounted to €453.1 million and include the positive fair value valuation of hedging derivatives and the value adjustment of assets subject to macro hedging, represented by fixed-rate mortgages. **Hedges recognised as liabilities** in the balance sheet amounted to €43.6 million and include the negative fair value measurement of hedging derivatives and the value adjustment of liabilities subject to macro hedging, represented by direct deposits from customers. The negative change in hedging derivative contracts recognised in the first half of 2025 is mainly attributable to the reduction in fair value of existing contracts. The valuation of the hedged items, as a result, evolved in the opposite direction, recording a positive change which, in the case of securities subject to micro hedging, is shown in Financial investments item, as described above.

Tax credits acquired, amounting to € 847.7 million, include the carrying amount of tax credits purchased under Decree-Law 34/2020 and subsequent updates, down from € 1,259.1 million outstanding as at December 31st, 2024, as a result of the offsets made during the period.

Due to banks were equal to € 859.6 million and highlighted an increase of € 9.0 million compared to December 31st, 2024. While repurchase agreements, which include securities lending transactions guaranteed by sums of money fully available to the lender, increased by €85.2 million, there was a €74.5 million decrease in variation margins received for derivatives transactions and securities lending transactions.

Due to customers came to € 30,680.9 million, increasing by € 692.0 million compared to December 31st, 2024, mainly due to the increase in direct deposits (+€ 344.6 million) and repurchase agreements (+€ 289.5 million), which include securities lending transactions guaranteed by sums of money that are fully available to the lender (+€ 81.8 million) and funding transactions carried out by the Parent Company's treasury through repurchase agreements on the MTS Repo market (+€ 207.7 million).

Debt securities in issue, equal to € 804.9 million, exclusively include Senior Preferred Bonds issued by FinecoBank. No new securities were issued during the first half of 2025.

Shareholders' equity amounted to € 2,244.3 million, decreasing by € 145.0 million compared to December 31st, 2024. During the first half of 2025, Shareholders' equity increased, mainly due to the profit for the period, equal to € 317.8 million, and decreased mainly due to the distribution of dividends resolved by the Shareholders' Meeting of April 29th, 2025, totalling € 452.6 million, and to the payment of the coupon on the Additional Tier1 instruments issued by FinecoBank, the amount of which, net of the related taxation, resulted in a reduction in Shareholders' equity of € 13.6 million.

Business performance

Performance of main income statement aggregates

Revenues amounted to € 644.4 million, registering a 2.1% decrease compared to the € 658.3 million recorded in the same period of previous year. Reduction in Financial margin, which was affected by the reduction in market interest rates, was largely offset by the growth in Net commission, and Net trading, hedging and fair value income.

Financial margin amounted to € 315.0 and shows a decrease of 13.3% compared to the first half of previous year (- € 48.2 million), mainly attributable to the reduction in Net Interest, which recorded a 12.6% decrease compared to the first half of the previous year (- € 45.7 million). **Profits from Treasury** highlights a decrease of €2.6 million compared to the first half of previous year.

Net commissions amounted to € 278.2 million and shows an increase of € 21.0 million compared to the same period of the previous year, mainly attributable to commissions generated by Investing (+ € 17.5 million) and by Brokerage (+ € 6.5 million). During the first half of 2025, the subsidiary Fineco AM generated net commissions for € 86.9 million.

Net trading, hedging and fair value income amounted to € 52.2 million and highlights an increase for € 14.4 million compared to the same period of the previous year. The item mainly includes profits realised by the Brokerage, which includes internalisation of securities and regulated/OTC derivatives, financial instruments used for managerial hedging of internalised securities and derivatives and the exchange differences on assets and liabilities denominated in currency. The item also includes the ineffectiveness component of hedging transactions, amounting to - € 0.7 million (- € 1.3 million in the first half of 2024), determined by the application of different curves for the fair value valuation of derivative contracts hedging interest rate risk and hedged items as a part of fair value hedge transactions.

Operating costs increased by € 12.8 million compared to the first half of previous year (+ € 6.8 million for "Staff expenses", + € 5.1 million for "Other administrative expenses net of Recovery of expenses" and + € 0.9 million for "Impairment/write-backs on intangible and tangible assets"). Cost/income ratio stood at 26.9% (24.4% at June 30th, 2024).

Net impairment on loans and provisions for guarantees and commitments in first half 2025 amounted to - € 2.6 million (- € 1.7 million in first half of previous year). The cost of risk is 6 basis points.

Other charges and provisions amounted to € -7.7 million, down € 29.9 million compared to the first half of the previous year. In the first half of 2025, this item primarily includes net provisions for risks and charges for complaints and disputes and net provisions for supplementary customer indemnities. In the first half of 2024, in addition to the aforementioned charges, the item also included the contribution to be paid to the Interbank Deposit Protection Fund under the Deposit Guarantee Scheme (DGS), amounting to €35.3 million. This is because, for the 2024 financial year only, participating banks were required to make the contribution by March 31, rather than September 30. In this regard, it should be noted that, with reference to the contribution to the Deposit Guarantee Scheme (DGS), contributions relating to the 2025 financial year, if required to maintain the target level, will be recognized, in accordance with IFRIC 21, in the third quarter of the financial year. With reference to the contribution to the Single Resolution Fund under Directive 2014/59/EU, nothing was detected as the Single Resolution Board announced on its website that the target level of the Single Resolution Fund remains reached even at the end of 2024. Finally, with reference to the contribution to the Life Insurance Guarantee Fund, nothing was detected in the first half of 2025 pending approval and publication of the Statute.

Net income from investments stood at € -1.0 million (+€ 1.0 million in the first half of the previous year).

Profit (loss) before tax from continuing operations amounted to € 459.9 million (+ € 0.3 million), substantially unchanged compared to the same period of the previous year. The growth in Net commissions and Net trading, hedging, and fair value income, along with lower systemic contributions, offset the reduction in Financial margin, which was impacted by the reduction in market interest rates, and the increase in Operating costs.

Net profit (loss) for the period amounted to € 317.8 million, slightly down compared to € 320.3 million of the first half of the previous year.

Business performance

Communications and external relations

The first half of 2025 was characterized by a rapid increase in market volatility, a topic that monopolized the attention of the Italian media, particularly in the early part of the year. Against this backdrop, Fineco chose to participate in the public debate due to its recognized position in asset management, emphasizing the need to develop an "equity culture" in Italy as well.

One of the first opportunities, at the beginning of the year, was the presentation of the 2024 financial results, which was attended by leading eco-finance and specialized publications.

Several press and television interviews by both Fineco's CEO and General Manager, management, and representatives of the advisory network highlighted the evolution of Italian savers and the narrowing of the financial education gap compared to more advanced countries. This shift translates into a steady acceleration of investments and an increase in demand for advisory services, with a continuing evident imbalance toward the bond market. The importance of rebalancing asset allocation with respect to equity was among the most explored topics, along with the need to adjust investment horizons accordingly to seize the opportunities offered by global economic growth.

Another consequence of the increase in financial education in Italy is savers' increased attention to investment costs, a topic that has distinguished Fineco over the years and is particularly relevant today. Data on the ever-increasing popularity of passive instruments confirms that, even in Italy, investors are moving toward efficient solutions. Fineco has therefore rightfully positioned itself as a pioneer in these products, highlighting how its platform now handles over 60 percent of retail ETF transactions in Italy.

The importance of the ETF trend for the Group was highlighted during the Salone del Risparmio, the leading event for the asset management industry in Italy, where Fineco AM presented the expansion of its range to include active ETFs. A series of interviews with the subsidiary's CEO and CIO helped strengthen its positioning, including in financial and industry media, as a company committed to developing innovative solutions to bring savers closer to investing in equity markets. The acceleration of advanced advisory services also provided the opportunity for the Group's network of financial advisors to highlight its openness to passive products, with a particular focus on ETFs, in major media outlets, marking a strong differentiation from the rest of the industry.

Another area of focus in this area has been the continued expansion of advisory teams, which have been the subject of a series of interviews with the most representative teams. This will continue throughout the year, with the aim of presenting a client relationship model that represents the future of the profession. In addition, the network's female component was highlighted through articles presenting case histories that can inspire young talent, in coordination with ongoing recruitment efforts. In this regard, a series of interviews were conducted with the Deputy General Manager responsible for the Financial Advisor Network and the Sales Department ("Deputy General Manager for the Sales Department for the PFA Network and Private Banking").

Another communication focus was the topic of longevity, which Fineco's Deputy General Manager and Head of Global Business also addressed through in-depth articles in general and specialized publications and video interviews. In this regard, the Bank's participation, as main sponsor, in the Milan Longevity Summit is noteworthy, a fitting context for highlighting the urgency of wealth management as a tool for maintaining and improving quality of life.

FinecoBank's new institutional advertising campaign, "Change is Good," was launched in the first half of 2025. Its primary objective was to encourage savers to shift to an innovative and efficient advisory model, in keeping with the values that have distinguished the Bank since its inception: simplicity, transparency, and innovation. Communication was developed through a multi-channel operation, using media beyond television, such as radio, print, out-of-home, digital, social media, and retail.

Fineco continued to embrace cultural and sports sponsorship projects nationwide. Regarding cultural projects, the Bank supported the FAI Spring Days event with active participation at three properties (Castello di Masino in Ivrea, Palazzo Morroni in Bergamo, and Villa Panza in Varese) and, for the first time, included Villa Bonaiuto among the special openings of the Fineco Center in Catania. Furthermore, it supported the "Professional Dreamers" photography exhibition at the Museo del Risorgimento in Turin, focusing on the theme of professional change, consistent with the "Change is Good" advertising campaign. Finally, cultural partnerships continued with the Teatro Petruzzelli in Bari, the Teatro Della Pergola in Florence, and the Teatro Sistina in Rome. Regarding sports projects, Fineco continued its collaborations with the Lega Volley Femminile, as Gold Sponsor of the A1 and A2 Championships and the Coppa Italia Frecciarossa, and with the Polti VisitMalta Team in the men's cycling competition, becoming its jersey sponsor. These sponsorships increased Fineco's brand visibility through television and local initiatives, culminating with the Giro d'Italia.

Business performance

Sustainability

In the first half 2025, Fineco continued its Sustainability journey in its various areas of focus through the implementation of activities and projects that will enable the achievement of goals and targets outlined in the new ESG Multi-Year Plan (MYP) 2024-2026 and reported within the Consolidated Sustainability Reporting included in the Accounts and Reports 2024.

In the area of environmental impact management, in May 2025 FinecoBank successfully passed the maintenance audit by a third-party company of its Environmental Management System (EMS) certification under the EMAS Regulation (Eco-Management and Audit Scheme), an EU-wide recognition of excellence awarded to organizations that adopt an environmental policy capable of reducing impacts in a concrete and measurable way, developing new solutions to foster sustainability.

During the month of June, the "Sustainability Talks" meetings were held, attended by approximately 200 employees in Milan and Reggio Emilia, an opportunity to learn more and discuss sustainability issues, with a focus on the main environmental, social and governance challenges that the planet must face today, contextualizing them within the European legislative framework of the financial world. The Sustainability Talks made it possible to address ESG issues not only from a theoretical but also a concrete point of view, reflecting on how sustainability fits into the Fineco strategy and daily working life.

Once again in 2025, Fineco was the Main Sponsor of the FAI (Fondo Ambiente Italiano) Spring Days (that took place on Saturday 22 March and on Sunday 23 March). The Bank has been a Corporate Golden Donor of the FAI since 2017, a qualification that rewards the companies most active in the field of culture and the protection of the territory's artistic heritage.

Financial education activities continued, with 14 new events held during the semester. These initiatives aim to provide participants with insights into practical aspects of managing their savings and supplementary pensions responsibly, while raising awareness of the importance of behavioral finance. Specifically, among the 14 new events, 5 sessions were organized at primary schools on the topics of Sustainability, Circular Economy, Conscious Consumption, and Payment Instruments, and 1 session was held at secondary schools on the topic of Saving and Financial Markets.

Awards

Below are the awards given to Fineco in the first half of 2025:

- **Sustainability Leaders 2025:** Fineco as confirmed, for the fifth time, starting from 2021, among the 240 Italian companies "Leaders of Sustainability", a ranking created by Il Sole 24 Ore, in collaboration with the company Statista;
- **Top Employer 2025:** Fineco has received the Top Employer 2025 certification for its attention to the valorization of resources and the development of their skills, promoting a positive and stimulating work environment;
- **S&P Sustainability Yearbook 2025:** Fineco has been included, together with 779 other companies out of a sample of 7,690 companies analyzed, in the S&P Global Sustainability Yearbook 2025 for its commitment and sustainability strategy in always reaching new goals in terms of responsible finance, financial education, gender equality, and the fight against climate change;
- **Most climate-conscious companies 2025:** Fineco has been included in the ranking of the "Most climate-conscious companies" by Corriere della Sera, Pianeta 2030 and Statista, a list of Italian companies that have most reduced the ratio between their CO2 emissions and turnover;
- **Diversity and Inclusion Leader 2025:** Fineco has been included in the list of 275 companies that are leaders in diversity and inclusion, created by Statista and Sole 24 Ore, which have created social value by focusing on the valorization of all people;
- **World's Best Bank 2025:** Fineco once again ranks first among the Italian institutions that entered the ranking based on the level of satisfaction of their customers according to the ranking drawn up by Forbes magazine in collaboration with Statista;
- according to the latest update of the Corporate Standard Ethics Ratings published by Standard Ethics, Fineco is the most sustainable bank in Europe, with a rating upgrade to EEE-.

With reference to the inclusion in sustainability indexes and ESG rating agency ratings, please refer to the "Summary Data" chapter.

The Consolidated Sustainability Report of the FinecoBank Group is prepared annually, in accordance with the provisions of Legislative Decree No. 125/2024, which implemented in Italy Directive 2022/2464/EU of the European Parliament and of the Council of 14 December 2022, amending Regulation 537/2014/EU, Directive 2004/109/EC, Directive 2006/43/EC, and Directive 2013/34/EU regarding corporate sustainability reporting (CSRD).

Finally, it should be noted that the **NPS** (Net Promoter Score, an indicator adopted globally that measures the propensity of customers to recommend the company to friends or colleagues, on a scale of 0 to 10) reached the **value of 63⁴**, the latest available data for May 2025, **confirming Fineco among the absolute leaders in the sector in terms of level of recommendability by customers.**

⁴ Calculated as the difference between the % Promoters (votes 9-10) and the % Detractors (votes 0-6). Votes of 7-8 are considered "neutral" and do not affect the score.

FinecoBank shares

Share information

As of June 30th 2025, the price of the share was equal to € 18.835. The average value recorded by the share in the first half of 2025 was € 18.15. It should be noted that at the time of the initial placement, which took place on 1st July 2014, the Fineco share price was equal to € 3.70.

The company's market capitalization equaled to € 11,519 million as of June 30th, 2025.

	Year 2020	Year 2021	Year 2022	1 st half 2023	Year 2023	Year 2024	1 st half 2025
Official price of ordinary shares (€)							
- maximum	13.425	17.305	16.180	16.690	16.990	17.085	19.590
- minimum	6.918	12.875	10.335	11.960	10.655	12.730	15.020
- average	11.329	14.947	13.401	14.413	13.394	14.596	18.150
- period-end	13.400	15.435	15.520	12.315	13.585	15.790	18.835
Number of shares (million)							
- outstanding at period end	609.6	609.9	609.9	610.6	610.6	611.0	611.5

The table below shows the main information relating to dividend distributions over the last 5 financial years, where the payout year refers to the year of dividend payment and the payout ratio is calculated by dividing the approved dividend by consolidated profit.

Items Amounts	Pay-out 2021 (*)	Pay-out 2022	Pay-out 2023	Pay-out 2024	Pay-out 2025
Approved Dividend (€/million)	323.2	237.9	299.2	421.6	452.6
Dividend per Share (€)	0.53	0.39	0.49	0.69	0.74
Date of Dividend Approval by the Shareholders' Meeting	21/10/2021*	28/04/2022	27/04/2023	24/04/2024	29/04/2025
Date of Dividend Payment	24/11/2021	25/05/2022	24/05/2023	22/05/2024	21/05/2025
Pay-out ratio	n.a.	65%	71%	70%	69%

(*) With reference to the 2021 Payout, please note that, after allocating the entire 2019 and 2020 profits to reserves, taking into account the Recommendations of the European Central Bank and the Bank of Italy regarding policies regarding dividend distributions and share buybacks for credit institutions and banking groups in the economic context burdened by the COVID-19 emergency, the Board of Directors on August 3, 2021, resolved to propose to the Shareholders' Meeting the distribution of a dividend of €0.53 per share, for a total amount of €323.2 million, drawn from available profit reserves.

(**) Calculated considering the consolidated profit for the year.

Please refer to "Part C – Information on the Consolidated Income Statement, Section 25 – Earnings per Share" of the explanatory notes for further information on earnings per share.

Main areas of activity

The Group's offer is divided into three integrated business macro-areas: (i) Banking, which includes current account services, payment services and the issuance of debit, credit and prepaid cards, mortgages, overdrafts and personal loans; (ii) Brokerage, which provides order execution services on behalf of customers, with direct access to the main world stock markets and the opportunity of trading CFDs, futures, options, bonds, ETFs and certificates; (iii) Investing, which includes the asset management activities carried out by Fineco AM, placement and distribution services for over 4,000 products, including UCITS and SICAV units managed by 73 leading Italian and international investment houses, insurance and pension products, as well as investment advisory services through the network of personal financial advisors distributed throughout Italy.

Given the Bank's specific business model that provides for a high level of vertical integration among its different activities, these main business segments are interdependent. Indeed, the Group offers its services (banking and investment services) through a Network and online and mobile channels that operate in a coordinated and integrated manner. The completeness of the services offered makes it possible to offer as the customer's only point of reference (one stop solution) for banking operations and investment needs. This highly integrated and customer-based strategy has the consequence that the revenues and margins related to the different products/services (investing, banking and brokerage) are, therefore, deeply interdependent.

All the activities were carried out with the aim of obtaining economic results from the "industrial" management of the businesses, to minimise their financial risk.

Banking

Banking and Payment cards

FinecoBank offers its customers a wide range of banking and payment services. Customers can access the bank's services by opening a current account online or through a financial advisor. The current account is also instrumental in accessing brokerage and investing services.

Banking and payment services are offered through the bank's website, mobile apps, by phone, and, for some services, at UniCredit branches and ATMs. Regarding payment cards, Fineco offers its customers the option of choosing between various types of cards: credit cards, balance or revolving cards, debit cards, and prepaid cards.

During the first half of 2025, with the aim of expanding the Bank's customer base and streamlining the products and services offered to customers with a constant focus on digitalization and innovation, an automatic process was implemented for the transformation of the Under 18 Account into a Fineco Account (so-called Step Up). This process allows holders of an Under 18 Account who have recently turned 18 and who have been 18 for no more than 60 days to switch to the Fineco Account while maintaining their personal codes, IBAN details, and Under 18 Account history, benefiting from the UNDER 30 discounts. By transforming their Under 18 Account into a Fineco Account, holders of a Fineco retail current account can begin to take advantage of all the payment and investment services offered.

Furthermore, FinecoBank has always been committed to offering its customers new services or improving existing ones, with a constant focus on digitalization, innovation, and developing functional and intuitive navigation interfaces, with the aim of ensuring ease of use. With this in mind, the migration of processes to a new technological infrastructure continued, enabling improvements in both performance and usability for customers and the financial advisor network. This specifically concerned some services available in the reserved area of the website (activation of the Multicurrency service, new checkbook request, request for issuing bank drafts, Telepass request, request for new direct debit, ongoing bank transfer archive) and on the APP channel (implementation of the salary credit request service and migration of the phone top-up service to the new technological platform).

The table below shows the credit card spending for the first half of the year and the balance as at June 30th, 2025 compared with the spending for the first half of 2024 and the balance as at December 31st, 2024. Credit card spending shows an increase of 6.6% compared to the same period last year.

(Amounts in € thousand)

	Spending		Amounts as at		Changes			
	1st Half		1st Half		Spending		Amounts as at	
	2025	06/30/2025	2024	12/31/2024	Amounts	%	Amounts	%
Credit Products								
Revolving credit cards	13,158	25,506	18,736	29,028	(5,578)	-29.8%	(3,522)	-12.1%
Credit cards full payment of balance	1,912,790	351,379	1,788,454	379,446	124,336	7.0%	(28,067)	-7.4%
Total	1,925,948	376,885	1,807,190	408,474	118,758	6.6%	(31,589)	-7.7%

Main areas of activity

Mortgages, credit facilities and personal loans

With regard to lending activities, the Bank offers its customers the opportunity to apply for current account credit lines, mortgages and personal loans.

Among current account credit lines, Fineco's flagship product continues to be the "Credit Lombard," a current account credit facility secured by the revolving pledge of securities and funds, suitable for wealthier individuals seeking additional liquidity from their investments. During the first half of the year, there was a recovery in both the granting of credit lines and the use of credit lines, resulting in an increase in the total balance.

The trend in new financing was driven, in particular, by personal loans, thanks in part to promotional initiatives aimed at offering even more competitive rates to target customers for the product, while also ensuring rapid disbursement times for customers eligible for the immediate assessment service (who continuously deposit their salary into their Fineco current account and meet specific income requirements established by the Bank). Mortgage disbursements, in line with the 2024 financial year, continue to be primarily aimed at home purchases (first and second homes) and are concentrated on fixed rates.

The table below shows disbursements in the first half of 2025 and the balance of credit products as at June 30th, 2025 compared with disbursements in the first half of 2024 and the balance as at December 31st, 2024. Disbursements increased by 65.2% compared to the same period of the previous year.

(Amounts in € thousand)

Credit Products	Disbursements		Amounts as at		Changes			
	1st Half		1st Half		Disbursements		Amounts as at	
	2025	06/30/2025	2024	12/31/2024	Amount	%	Amount	%
Personal loans and unsecured loans	110,756	465,821	87,109	466,497	23,647	27.1%	(676)	-0.1%
Current account credit facilities*	707,277	2,142,863	397,523	2,052,967	309,754	77.9%	89,896	4.4%
Mortgages	37,415	2,218,591	33,272	2,311,534	4,143	12.5%	(92,943)	-4.0%
Total	855,448	4,827,275	517,904	4,830,998	337,544	65.2%	(3,723)	-0.1%

* With regard to Current account credit lines the column Disbursements shows the amounts granted.

It should be noted that the credit lines guaranteed by securities granted in the first half of 2025 totaled € 701 million (€ 691 million related to "Credit Lombard" product and € 10 million related to credit facilities secured by pledged), equals to 99% of total amount of credit lines granted.

Main areas of activity

Brokerage

FinecoBank offers its brokerage services, mainly through the Bank's website and mobile applications, as well as making such services available by telephone through customer care. In particular, customers can access the following platforms, characterised by functional and intuitive interfaces, quickly, conveniently and free of charge

- web platform offered to all customers, customisable according to customer profile, offering a wide range of trading tools, updated in real time, complete with charts and ancillary services;
- mobile application offered to all customers, accessible via mobile devices (including smartphones and tablets), offering a wide range of trading tools, updated in real time; and
- FinecoX, the trading platform included in the account without any installation, which stands out for its customisation possibilities, advanced functionalities, timeliness of information and operational completeness. Data is strictly in real-time push, trading is available on all equities, ETFs, Certificates and Turbo Certificates, Options, Knock Out and Daily Options, CFDs and Forex, Futures, Bonds and Covered Warrants.

Brokerage activity is fully integrated with current account services and does not require clients to open a separate account (although clients may choose to open a Trading Account only) or to activate access to such services.

FinecoBank also provides its customers with the 'Margining' service, i.e. the possibility to activate securities lending transactions secured by sums of money that allow customers to receive liquidity from the Bank by lending specific financial instruments included in a predefined list ('Long margining') or to receive from the Bank by lending specific financial instruments included in a predefined list by delivering liquidity ('Short margining').

Also in this area, FinecoBank has always been committed to offering its customers new services or improving existing ones, with a constant focus on innovation and developing functional and intuitive navigation interfaces, with the aim of ensuring ease of use. In this context, with reference to the first half of 2025, we highlight in particular:

- the new AutoFX service, which in a easy and free manner, allows of use current account balance in euros to trade securities denominated in foreign currencies: the conversion happens automatically, without the need to manually exchange currency. The service can be activated on the website, APP, and FinecoX;
- completely revamped Replay Plan: increased flexibility in the plan allowing to choose whether to invest once or twice a month, or every 3 months, added to the ETC and ETN plan which also includes commodities and cryptocurrencies as underlying assets, the option to freely choose the day on which to make your investments without predetermined dates, and the added freedom to make changes to the plan up to the day before the investment. extension of foreign online markets with the main equities listed on the Nordic markets (Sweden, Norway, Denmark) and Belgium, previously traded offline.

Thanks to its significant trading volumes and broad client base, FinecoBank is able to act as a systematic internaliser on equity, bond and foreign exchange markets, acting as a direct counterparty to client orders. This allows the Bank to maximise margins in the execution of orders received from clients, reducing the cost of execution on regulated markets.

The first half of 2025 saw a growth in Brokerage revenues of 15% year-on-year, thanks to the widening of the active investor base and an increase in market volumes.

In the first half of 2025 Report on trading volumes of its associates, compiled by the Association of Financial Market Intermediaries, FinecoBank confirms its position as Italy's number one intermediary in the "Equity" ranking.

Main areas of activity

The following table shows the number of orders on financial instruments recorded during the first half of 2025 compared to the same period of the previous year.

(Amounts in € thousand)

	1st Half		Changes	
	2025	2024	Absolute	%
Orders - Equity Italy (including internalised orders)	6,416,356	4,746,795	1,669,561	35.2%
Orders - Equity USA (including internalised orders)	2,037,722	1,633,578	404,144	24.7%
Orders - Equity other markets (including internalised orders)	741,391	556,428	184,963	33.2%
<i>Total Equity orders</i>	<i>9,195,469</i>	<i>6,936,801</i>	<i>2,258,668</i>	<i>32.6%</i>
Orders - Bonds	581,901	638,546	(56,645)	-8.9%
Orders - Derivatives	6,310,234	4,858,244	1,451,990	29.9%
Orders - Forex	480,228	394,069	86,159	21.9%
Orders - CFDs	1,134,335	804,021	330,314	41.1%
Orders - Funds	1,924,526	1,913,829	10,697	0.6%
Total orders	19,626,693	15,545,510	4,081,183	26.3%

Main areas of activity

Investing

Fineco offers its clients, based on a "guided open architecture" business model, a particularly extensive range of managed asset products. These include collective asset management products, such as mutual fund units and SICAV shares from carefully selected Italian and international investment firms, pension and insurance products, and investment advisory services. Furthermore, as part of its managed asset management advisory service, it conducts ongoing IPOs of Investment Certificates.

The fund platform on the Italian market comprises 73 investment firms with over 4,000 ISINs available for subscription as of June 30, 2025, including approximately 260 Fineco AM funds. With regard to collective asset management products, the range was expanded in the first half of 2025 with the addition of 20 Fineco AM funds to the platform, specifically: new versions of the Smart Defence funds (FAM Series), which aim to protect capital and distribute a coupon; new versions of the Global Defence Target Passive Fineco AM Fund (FAM Evolution), which will join the other FAM Evolution funds already on the platform and which have the investment strategy of gradually entering the global equity market starting from a primarily bond position and, at the same time, distributing an annual dividend until the end of their time horizon; new versions of the Target Equity Allocation Fineco AM Fund (FAM Evolution), which also joins the other FAM Evolution funds already on the platform, has an investment strategy of gradually entering the global equity market through the investment of the coupon generated by the initial bond portfolio, which is not distributed but reinvested in passive funds and ETFs.

Among the delegated solutions for private clients, the role of asset management remains important. These include: five lines of securities called Private Value, four of which are structured across risk profiles from prudent to dynamic, and one line entirely focused on bonds; three lines of securities called Private Ethics; and four lines of ETFs and funds called Private Global, also structured across risk profiles from prudent to dynamic and characterized by increasing equity exposure. Finally, the MAP (Customized Multi Assets) lines, available in two profiles - Balanced and Equity - and characterized by greater management flexibility than traditional lines. Indeed, broad diversification across asset classes is envisaged, as well as the ability to modify the allocation based on market conditions with a high level of customization capable of satisfying specific customer instructions.

Regarding pension products, client interest continues to be focused on the Core Pension open-ended pension fund, available exclusively to the network. Thanks to the paperless offering, with digital sign-ups and web collaboration, assets under management are expected to continue to increase as of June 30, 2025 (+15% compared to December 31, 2024), with a preference for the Core Pension Azionario Plus 90% ESG and Core Pension Bilanciato 50% ESG funds.

With regard to insurance consultancy, the offer focused primarily on multi-line and unit-linked private products, distributed through the Network.

Regarding the primary market offering (IPO), the placement of Investment Certificates from third-party issuers with various capital-protected and conditionally protected structures continued in the first half of 2025. The continued increase in the number of Investment Certificates listed on the secondary market, including thematic and ESG-related ones, broadens the range of solutions available within the Bank's advisory services.

Regarding advisory services, the Bank continued to develop activities and solutions aimed at improving the services offered to clients. Requests for customization of Private Banking portfolios exceeding € 500,000 reached a value of over € 8.5 billion, demonstrating the appreciation of the service provided and the need for personalized investment solutions among clients.

To support the work of financial advisors for clients with positions spread across multiple portfolios or relating to an extended family unit, the "Active Monitoring" service is available to the Network. This service, dedicated to clients with portfolios exceeding € 2.5 million, involves ongoing dialogue between the financial advisor and a team of Senior Investment Specialists who constantly monitor the client's entire position using a dedicated, technologically advanced platform. The assets covered by this service currently amount to over € 5 billion.

As part of the ongoing development of solutions for financial advisors, the "Private Diagnosis" service has been enhanced to include the explicit representation of the underlying assets of asset management products and the ability to customize the stress test scenario through the use of two custom indices.

Main areas of activity

The balance of assets under management amounted to € 68,576.5 million as at June 30th, 2025, up 3.3% from December 31st of previous year.

(Amounts in € thousand)

	Amounts as at		Amounts as at		Changes	
	06/30/2025	Comp %	12/31/2024	Comp %	Absolute	%
UCITS and other investment funds	47,512,796	69.3%	45,645,271	68.8%	1,867,525	4.1%
Insurance products	12,610,469	18.4%	12,944,305	19.5%	(333,836)	-2.6%
Assets under custody under advisory	7,987,402	11.6%	7,360,364	11.1%	627,038	8.5%
Other	465,838	0.7%	432,646	0.7%	33,192	7.7%
Total assets under management	68,576,505	100.0%	66,382,586	100.0%	2,193,919	3.3%

The network of financial advisors

The Network's growth continues in the first half of 2025, reflected in particularly positive sales, building on the trend that characterized the final months of last year. Specifically, the following figures are in evidence:

- Total net sales: € 4,967 million (+28.4% compared to the same period last year)
- Total net sales assets under management: € 2,619 million (+77.4% compared to the same period last year)
- Net sales from advanced advisory services: € 1,650 million (over 63% of total Net sales asset under management were generated from advanced advisory services).

Despite the uncertain market environment, thanks to Fineco's ability to meet the investment needs of an increasingly broad customer base, there is strong interest in the advisory solutions offered, particularly in asset management, which continues to grow significantly (+77.4% compared to the same period last year). The custody component also remains robust, thanks in particular to the strong interest in the ETF segment, thanks to the Bank's ability to embrace market challenges and trends.

The Network, thanks to the added value of teamwork and the consolidated efficiency of its advanced platform, remains a solid point of reference, supporting savers with a long-term vision and opening up new investment opportunities in global markets. Finally, Fineco AM's broad offering of new solutions, both active and passive, completes the range of tools available to customers and allows an ever-increasing number of savers to invest in equity markets.

Fineco's business model remains particularly attractive: the new all-time high in customer acquisitions recorded during the first half of the year represents a trend that is likely to continue, not a one-off event. Since the beginning of the year, 45,820 new customers have been acquired by the Network (+26.7% compared to the same period last year).

According to the Assoreti ranking, the Bank ranks 2nd in terms of net inflows as of May 31, 2025 (latest available data).

The average portfolio of the Network increased by 3.0% compared to December 31, 2024, from €40.6 million to €41.8 million; the Total Financial Assets (TFA) attributable to the Network exceeded €127 billion, demonstrating a consistent growth-oriented approach and a solid relationship of trust established with customers.

Private banking also continued to grow in the first half of 2025. This customer segment saw a further significant acceleration in net sales, driven primarily by the acquisition of new customers and the expansion of open positions in 2024. Total TFA for private customers reached a new record level of €72.6 billion (€68.4 billion as of December 31, 2024), of which €64.8 billion (€61.3 billion as of December 31, 2024) related to the Network. Considering this scope, the long-standing and uniformly nationwide growth trend of private banking customers, now exceeding 50% of total TFA, is confirmed. As noted in the recent past, a clear predominance of individual clients remains: despite an increase in the average TFA per client, a low concentration of positions remains, ensuring balanced and sustainable business development over time.

The Network has maintained a high level of focus on financial education; during the first half of 2025, a total of 828 client events were held (127 of which were web-based) with the participation of over 25,500 clients and prospects. These events, which aim to broaden knowledge on savings and investments, focused on financial planning, goal-based planning, and behavioral finance, addressing various "current financial" topics and answering attendees' questions. Among these, ad hoc events were organized specifically for high-end clients on the broader topic of wealth planning: 14 meetings, involving over 750 private clients.

Regarding recruitment, Fineco's model remains attractive, particularly for professionals from more traditional models. During the first half of the year, 48 new senior financial advisors were hired, representing experienced professionals coming from traditional banks, private banking institutions, and other financial advisory networks. As always, attention was also focused on recruiting more junior professionals, who remain an important resource in which to invest: since the beginning of the year, 59 new advisors have been recruited as part of the youth program, specifically designed for this category.

As of June 30, 2025, the Network consists of 3,043 financial advisors, an increase of 41 compared to December 31, 2024; the new hires more than offset the departures, thanks in part to a decidedly modest turnover rate.

The Network's widespread presence throughout the country is supported by a network of 434 financial centers.

The network of financial advisors

The table below shows the figures for direct, managed and custody net sales relating only to clients of the financial advisors Network during the first half 2025, compared with the figures for the same period of the previous year. Total net sales amounted to € 4,967.1 million.

Net sales - Financial Advisors Network

(Amounts in € thousand)

	1st Half 2025	Comp %	1st Half 2024	Comp %	Changes	
					Absolute	%
DIRECT DEPOSITS	47,269	1.0%	(713,874)	-18.5%	761,143	-106.6%
Current accounts and demand deposits	271,630	5.5%	(1,023,975)	-26.5%	1,295,605	-126.5%
Time deposits and reverse repos	(224,361)	-4.5%	310,101	8.0%	(534,462)	-172.4%
ASSETS UNDER MANAGEMENT	2,618,792	52.7%	1,476,065	38.2%	1,142,727	77.4%
UCITS and other investment funds	2,273,615	45.8%	1,044,427	27.0%	1,229,188	117.7%
Insurance products	(287,634)	-5.8%	(825,369)	-21.3%	537,735	-65.2%
Assets under custody under advisory	603,106	12.1%	1,216,277	31.4%	(613,171)	-50.4%
Other	29,705	0.6%	40,730	1.1%	(11,025)	-27.1%
ASSETS UNDER CUSTODY	2,301,026	46.3%	3,106,481	80.3%	(805,455)	-25.9%
Equities	1,048,904	21.1%	1,131,708	29.3%	(82,804)	-7.3%
Bonds	1,328,515	26.7%	2,040,455	52.7%	(711,940)	-34.9%
Third-party deposits	(67,446)	-1.4%	(46,371)	-1.2%	(21,075)	45.4%
Other	(8,947)	-0.2%	(19,311)	-0.5%	10,364	-53.7%
NET SALES - FINANCIAL ADVISORS NETWORK	4,967,087	100.0%	3,868,672	100.0%	1,098,415	28.4%
of which Advanced Advisory Service	1,649,979	33.2%	2,000,830	51.7%	(350,851)	-17.5%

It should be noted that the percentage reported for Advanced Advisory Service, equal to 33.2% as at June 30th, 2025, is calculated by comparing their amounts with the amount of Network total net sales.

The network of financial advisors

The table below shows the amount of deposits attributable to the Network as at June 30th, 2025, amounted to € 127,166.9 million, up 4.5% compared to December 31st, 2024 (€ 121,740.5 million). According to Assoreti's ranking, as at March 31st, 2025 FinecoBank ranked 3rd in total assets, amounted to 13.38% of the Network system.

Total financial assets - Financial Advisors Network

(Amounts in € thousand)

	Amounts as at		Amounts as at		Changes	
	06/30/2025	Comp %	12/31/2024	Comp %	Absolute	%
DIRECT DEPOSITS	22,920,147	18.0%	22,863,414	18.8%	56,733	0.2%
Current accounts and demand deposits	22,313,310	17.5%	22,041,588	18.1%	271,722	1.2%
Time deposits and reverse repos	606,837	0.5%	821,826	0.7%	(214,989)	-26.2%
ASSETS UNDER MANAGEMENT	68,119,947	53.6%	65,913,792	54.1%	2,206,155	3.3%
UCITS and other investment funds	47,102,678	37.0%	45,227,518	37.2%	1,875,160	4.1%
Insurance products	12,565,206	9.9%	12,893,807	10.6%	(328,601)	-2.5%
Assets under custody under advisory	7,986,791	6.3%	7,360,230	6.0%	626,561	8.5%
Other	465,272	0.4%	432,237	0.4%	33,035	7.6%
ASSETS UNDER CUSTODY	36,126,849	28.4%	32,963,340	27.1%	3,163,509	9.6%
Equities	19,447,400	15.3%	20,380,350	16.7%	(932,950)	-4.6%
Bonds	16,521,932	13.0%	12,352,283	10.1%	4,169,649	33.8%
Third-party deposits	106,244	0.1%	173,690	0.1%	(67,446)	-38.8%
Other	51,273	0.0%	57,017	0.0%	(5,744)	-10.1%
TOTAL FINANCIAL ASSETS FINANCIAL ADVISORS NETWORK	127,166,943	100.0%	121,740,546	100.0%	5,426,397	4.5%
of which Advanced Advisory Service	35,942,390	28.3%	34,518,690	28.4%	1,423,700	4.1%

It should be noted that the percentage reported for Advanced Advisory Service, equal to 28.3% as at June 30th, 2025, is calculated by comparing their amounts with the amount of Network total financial assets.

Human resources

The parent: FinecoBank S.p.A.

As at June 30th, 2025, the Bank's employees are 1.399 up compared to 1.368 as at December 31st, 2024.

During the first half of 2025, all employees continued to work remotely according to the Individual Agreement which renewed on 1st January 2025 and confirmed the possibility of working from home to a maximum of 14 days per month divided on a weekly basis.

Further initiatives aimed at facilitating and improving the working and personal life of employees continued, in continuity with what was done in the previous year (for example in the area of health and welfare).

Hiring activities aimed at strengthening and optimising the areas dedicated to business development, organizational and technological support and risk control and management continued preferring, when possible, the "remote" mode also in line with Fineco's sustainable mobility policy.

Our effort in attracting new talents continued also during the first half of 2025, with a particular focus on new Generations (Millennials and Z Generation), also thanks to employer branding initiatives aimed at meeting and hiring new graduates or undergraduates and better understand the behavioral dynamics typical of the new generations. FinecoBank attended Career Days (also Digital) and continued to use different hiring and onboarding techniques that help simplify the process and support Chief People Officer department and managers and candidates in a practical and effective way.

Out of the 50 recruitments in the first half of 2025, many were employed in the Customer Relationship Management area confirming the strong and ongoing focus on young graduates. Customer Relationship Management is in fact the starting point of a path of professional development that can lead to cover different roles in the company.

As in the past, the first six months of 2025 showed a significant use of internal job rotation that involved 24 resources enabling, on one hand, to cover the vacant positions within the Company, and on the other hand, to guarantee the continuous staff professional development.

During the first six month of 2025, a total of 19 employees left the Bank, including:

- 9 resignations;
- 10 for other reasons.

The Bank's employees can be broken down as follows:

Category	Men		Women		Total	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Executives	24	24	7	7	31	31
Managers	359	356	161	156	520	512
Professional Areas	420	408	428	417	848	825
Total	803	788	596	580	1,399	1,368

At June 30th, 2025, the Bank has 102 part-time employees (around 7.3% of the total), women employees making up 42.6% of the workforce. The average length of service is about 13.4 years and the average age is about 43.

Human resources

Staff Training

During first half of 2025, Fineco staff training has been focused both on acquisition and strengthening of specific skills, required by existing internal and external regulations and different company needs, and on the update of individual knowledges, with a specific attention to Mandatory, Technical, Linguistic, Behavioural and Managerial training.

Below, the breakdown of training hours* by training areas:

Training area	Hours of training
Mandatory	12,276
Technical	13,665
Foreign Language	1,741
Conduct – Management	2,664
Total	30,346

*Fineco AM included

Mandatory Training

The Bank is constantly engaged in spreading and improving Risk and Compliance culture, elements which enable its *business* to be, other than profitable, sustainable over time. Fineco believes that training on these topics is paramount to promote among employees how awareness, transparency and compliance with the rules are essential for Fineco.

For this reason, considerable attention has been paid to Mandatory training, dedicated to all employees and mainly provided through our online training platform, with the creation of courses about relevant topics, e.g., Antitrust, MIFID II, Data Governance, Outside Business Interests (OBI).

Furthermore, the staffwide training “Introduction to Artificial Intelligence” has been released: the course describes general rules to follow in order to guarantee the proper use of AI systems, considering the information security context, too.

In order to ensure the learning of all employees on these topics and preserve the Bank from operational, legal and reputational risks arising from the non-completion of training, Mandatory courses includes a final exam and are periodically monitored, for the purpose of verifying the passing of the test. The completion of Mandatory Training is a prerequisite for the access to the Incentive System.

As usual, Mandatory Insurance Courses (IVASS) have been activated in the departments that give information to Customers, as well as professional development courses for the purposes of Consob intermediary regulation, and annual skills Assessment based on ESMA subjects.

In order to guarantee operational continuity to regulatory requirements in case of crisis, Business Continuity training from essential resources have been organized involving replacement resources.

Lastly, to ensure compliance with occupational Health and Safety at Work provisions, the Bank guarantees proper, periodical and continuous training to all impacted resources on the basis of current regulations.

Technical Training

During the first half of 2025, with the assistance of external suppliers, strategical business partners, Universities and internal specialists, the Bank has organized training sessions on specific topics, according to the business areas, to improve not only company productivity, but also the level of employee’s specialisation. Special attention was given to specialist Training dedicated to Corporate Control Functions, that need a continuous development and update, in terms of technical and professional expertise and regulations.

Fineco commitment in terms of raising knowledge and awareness about information security continues through different initiatives about awareness and training.

Then, great importance was given to the Training on the Job activity, too, extremely useful to provide a concrete, effective and practical training for new joiners. Also, Training on the job for Customer Care employees continued as usual.

Human resources

Behavioural and Managerial Training

The organization of training activities on behavioural-managerial topics is based on the results of a constant analysis process, that allows to identify specific training needs and opportunities of developments of all employees.

During the first half of 2025, Managerial Training paths have been delivered, with the aim of developing leadership skills in every phase of Managers professional life, support them in guiding their teams in an efficient way, reaching business goals and creating an inspiring and inclusive working environment. The contents of the programs are aligned with strategic priorities, complexities and challenges typical of the role, even according to the seniority level.

Relating Behavioral Training and the development of soft skills, during first half of 2025 training paths have been delivered with the aim to improve skills and abilities of all employees and enrich their personal and professional background (e.g. Self-efficacy, personal effectiveness, job interview, Excel courses).

In continuity with the past, in order to answer to behavioral, managerial, but also personal needs of staff, a freely accessible courses catalogue is still available on our online platform; the catalogue is constantly updated in every different training macro-category: Communication & Influencing, People & Self-Management, Leadership, Efficiency, Execution & Organization, Ethics & Respect, Diversity & Inclusion, Health & Safety, Languages.

In addition, a follow up course about nutrition has been published on the platform and available for all our employees: "La dieta della mente felice" that describes which are the best foods to improve concentration, mood, and mental energy.

The attention paid by Fineco on wellbeing of its employees and the creation of an equal and inclusive working environment continues through projects dedicated to support parenting.

Even for 2025, FinecoBank has renewed its partnership with Valore D, that offers to employees the chance of having access to contents and courses designed to enhance the female talent and promote the Company inclusive culture, with particular focus on gender equality, that included topics like unconscious bias, language inclusiveness, collaboration in heterogeneous teams, enhancement of resources and gender and sexual harassment on workplace.

Foreign language Training

Even in first half of 2025, all employees have had the opportunity to use a dedicated training platform, based on AI, that has the aim to increase English language skills of everyone through a custom learning path, based on the initial level of knowledge and on personal interests of the learner.

The Bank has activated, as usual, English language courses for more than 350 employees, groups and one-to-one lessons, held by phone or virtual classes. Furthermore, some specific resources received Legal English training, too.

The participation of employees in foreign language training courses is defined on the basis of the requests of Unit Managers, considering the specific professional needs of colleagues.

German, Spanish, French and Business English Language paths are available on online Training catalogue, too.

The subsidiary: Fineco Asset Management Designated Activity Company (Dac)

As at June 30st, 2025, the Company's employees are 91 of which women 36 and 55 men and the average age is around 37.

The hirings were aimed at strengthening both the business, support and control functions.

Employees training during the first half of 2025 has been focused both on acquisition and consolidation of competencies required by the different company needs and the update of individual knowledges, with special attention to Mandatory training. The latter plays an important role for the constant spread and improvement of Risk and Compliance culture, elements that allow the business of the Group to be, not only profitable, but sustainable over time.

Human resources

Incentive plans

The Board of Directors of FinecoBank held on January 21st, 2025 – in consideration of the favorable opinion of the Remuneration Committee held on January 17th, 2025:

- 2025 Incentive System for Employees classified as Identified Staff;
- 2025 Incentive System for Financial Advisors classified as “Identified Staff”.

The above mentioned incentive systems have been approved by the Shareholders’ Meeting on April 29th, 2025

In addition, the FinecoBank Board of Directors on February 5th, 2025 – in consideration of the favorable opinion of the Remuneration Committee held on February 4th, 2025 – approved the implementation of the following incentive / loyalty systems:

- 2018-2020 Long Term Incentive Plan for employees. In particular, the assignment of n. 212,210 free ordinary shares to the beneficiaries of the 2025 share tranche of the Plan, granted in 2018, and consequently a free share capital increase for a total amount of € 70,029.30 effective from March 31st, 2025;
- Incentive Systems 2019, 2020, 2021, 2022 and 2023 for employees classified as “Identified Staff”. In particular, it was approved:
 - the assignment of n. 179,137 free ordinary shares to beneficiaries of the 2025 share tranche of the 2019 Incentive System, the 2020 Incentive System, the 2021 Incentive System, the 2022 Incentive System and the 2023 Incentive System, and consequently a free share capital increase for a total amount of € 59,115.21 effective from March 31st, 2025;
 - the assignment of the 2025 cash tranche related to the 2022 Incentive System, the 2021 Incentive System, the 2020 Incentive System and the 2019 Incentive System;
- 2021-2023 Long-Term Incentive Plan for employees. In particular the assignment of n. 184,547 free ordinary shares to the beneficiaries of the 2025 share tranche of the Plan, granted in 2021, and consequently a free share capital increase for a total amount of € 60,900.51 effective from March 31st, 2025;
- for the 2024 Incentive System (Bonus Pool):
 - the FinecoBank 2024 Bonus Pool;
 - the proposed 2024 bonus for the Chief Executive Officer and General Manager, the other Executives with Strategic Responsibilities and other Identified Staff;
 - the allocation of 161,746 FinecoBank ordinary shares, to be allocated free of charge to the above-mentioned personnel in accordance with the relevant plan rules;
 - the payment of the first tranche in cash.
- Incentive Systems 2021, 2022, 2023 for financial advisors classified as “Identified Staff”. In particular, it was approved:
 - the assignment of n. 19,004 shares of the 2025 share tranche related to the 2021 Incentive System;
 - the assignment of the 2025 cash tranche related to the 2021 Incentive Systems;
 - the assignment of n. 5,493 shares of the 2025 share tranche related to the 2022 Incentive System;
 - the assignment of n. 22,507 shares of the 2025 share tranche related to the 2023 Incentive System;
 - the assignment of the 2025 cash tranche related to the 2023 Incentive System;
- Incentive 2018-2020 Long Term Incentive Plan for Financial Advisors classified as “Identified Staff”. In particular, it was approved the assignment of the n. 6,194 share of the last share tranche.
- for the 2024 PFA Incentive System plan:
 - the 2024 Bonus Pool for financial advisors;
 - the proposed 2024 bonuses for financial advisors classified as Identified Staff;
 - the total bonus to be allocated in FinecoBank shares (within the maximum 256,740 ordinary shares), to be allocated free of charge to the above-mentioned financial advisors in accordance with the relevant plan rules;
 - the purchase of treasury shares, having obtained the authorisation from the Supervisory Authority, pursuant to Articles 77-78 EU 575/2013 of June 26th, 2013 (CRR) as amended by EU Reg. no. 876/2019, in accordance with the shareholder meeting resolution;
 - the payment of the first tranche in cash.

On April 23rd, 2025, the Board of Directors of Fineco AM approved own 2025 incentive system for the local Identified Staff.

Technology infrastructure

FinecoBank is one of the most important FinTech banks and offers a unique business model in Europe, combining the best platforms with a large network of financial advisors. Fineco offers banking, credit, trading and investment services from a single account through transactional and advisory platforms developed with proprietary technologies.

Fineco's competitive strategy is based on an approach that has always driven the Bank: the interpretation of customer needs and the information system represents a tool of primary importance for the achievement of both strategic and operational objectives: Fineco combines customer care with an intrinsic component of innovation that succeeds in following the most current technological trends also through its internal culture, making the customer experience fluid and intuitive on all channels.

Over the years, the strategic choice in IT and Security has been to internally oversee all the technological and security activities that could provide a significant contribution to business development. This approach has made it possible to offer customised and distinctive products, maintain internal know-how and a high level of control over the evolution of its technology and services, maintain intellectual property rights over the applications developed and the algorithms supporting them, and guarantee a rapid time to market, as well as better and more consistent performance in the provision of services.

The current architecture is structured on several logical layers, segregated in terms of networks and delivery systems:

- Frontend layer for web, mobile and phone banking applications;
- Backend layer for the delivery of core services such as banking, trading and consultancy services;
- Technical integration layer that allows the two previous layers to interact and integrate with the necessary counterparts (info-providers, markets, partners, etc.);
- Data layer, which houses all the company's information assets, structured and unstructured.

The architectural and development paradigms in use, oriented towards "agile development" together with the adoption of latest-generation technologies, enable the effective and sustainable integration of distribution channels, the internal operating platform, and the applications through which customers access their services.

The aim is to have a high degree of sustainability in terms of technological cost structure, a high degree of scalability of a "horizontal" type, to design services that are delivered in a distributed manner, and to keep in-house the development and management of value-added applications that represent a competitive factor for Fineco, whether quantifiable in terms of "time to market" or efficiency/ operational leverage.

In the first half of 2025, the Bank was engaged in technological adaptation and renewal activities, infrastructure and applicative optimisation with a focus on the consolidation and development of the information system, aimed at providing innovative, reliable, interoperable and open services that improve the experience of customers and financial advisors, as well as ensuring adherence to the opportunities offered by the regulatory landscape.

Regarding Fineco AM, the company uses a third-party platform for the manage investment services.

Disclosure on Russian-Ukrainian crisis risks– cyber attack

With reference to ICT and Cyber risks, the Group continues to address the objective to ensure the protection of clients by guaranteeing data security, declined in its characteristics of availability, confidentiality and integrity: in light of the Russian-Ukrainian crisis on EU financial markets, special attention has been paid to the assessment of related risks. In compliance with the measures provided for by current legislation, Fineco continues to undertake the initiatives aimed at verifying its security posture and operational readiness also making use of the indications and recommendations suggested by the various national and international bodies. Without prejudice to the fact that Fineco has always adopted best practices in the field of security, in both technical and organizational/procedural terms, additional mechanisms have in any case been evaluated and introduced to cope with any impacts arising from the contingent situation.

Internal control system

The internal control system is a fundamental part of the overall governance system of banks. It ensures that bank activities are in line with bank policies and strategies and are based on principles of sound and prudent management.

Circular no. 285 of December 17th, 2013 (as amended) defines the principles and guidelines with which the internal control system of banks must comply. The circular defines the general principles of organisation, identifies the role and responsibilities of governing bodies, and sets out the characteristics and roles of corporate control functions.

FinecoBank also adheres to the Corporate Governance Code of listed companies by implementing the recommendations of the Corporate Governance Committee of listed companies regarding the governance of the internal control system.

The internal control system must provide protective measures that cover all types of business risk. The primary responsibility for these tasks lies with the bank's bodies, each in accordance with its specific duties. The structure of tasks and lines of responsibility of corporate functions and bodies must be clearly specified.

Banks must apply the provisions according to the proportionality principle, i.e. taking into account the operating scale and organisational complexity, the nature of the activities carried out, and the type of services provided.

As part of the supervisory review and evaluation process, the European Central bank and the Bank of Italy verify the internal control system in terms of completeness, suitability, functionality (in terms of efficiency and effectiveness) and reliability of banks.

In accordance with the provisions laid down by the Supervisory Authority, the Bank's internal control system consists of a set of rules, functions, organisational structures, resources, processes and procedures aimed to ensure the achievement of the following objectives, in compliance with the principles of sound and prudent management:

- verifying the implementation of the Bank's strategies and policies;
- containing risk within the limits set out in the Bank Risk Appetite Framework – "RAF";
- preventing the Bank's involvement, even if unintentional, in unlawful activities (with specific reference to money laundering, usury and the financing of terrorism);
- protecting the value of assets and preventing losses;
- ensuring the effectiveness and efficiency of corporate processes;
- ensuring the security and reliability of the Bank information and ICT procedures;
- compliance of transactions with the law and supervisory regulations, as well as with the policies, regulations and internal procedures of the Bank and the FinecoBank Group.

Consistently with the European Banking Authority's ("EBA") Guidelines on Internal Governance and the relevant locally applicable regulations, as part of the Internal Control System, the Body with Strategic Oversight function of each Companies, among other things, oversees the internal control framework, including a sound and effective risk management framework, and periodically assesses the adequacy/effectiveness of the Internal Control System by identifying appropriate measures to address any identified weaknesses.

FinecoBank reports annually on its internal control and risk management system as part of the "Report on Corporate Governance and Ownership Structures" reports information. In addition, also on an annual basis, FinecoBank carries out the Group ICS Assessment, which is an activity that gathers and summarises the contributions of the players in the Bank's Internal Control System, coordinated by the Chief Executive Officer, in order to verify the adequacy and efficiency of the System itself. This activity is one of the elements supporting the activity of verifying the adequacy and efficiency of the Internal Control System, in conjunction with the other contributions that are brought to the attention of the Corporate Governance Bodies during the year by the various players in the Bank's Internal Control System (e.g. periodic and/or event-driven reports from the Heads of the Corporate Control Functions, information from the Manager in charge of preparing the accounting and corporate documents for the purpose of preparing the financial statements) and/or from outside the Bank (e.g., from the Independent Auditors, from the Supervisory Authorities).

In the Organisation and Management Model of FinecoBank (pursuant to Legislative Decree 231/01) sets out the salient features of the internal control system, which plays a central role in the company's organisation, (i) representing a fundamental element of knowledge for the company bodies so as to guarantee full awareness of the situation and effective control of the company's risks and their interrelationships (ii) guiding changes in the company's strategic lines and policies, (iii) making it possible to adapt the organisational context in a coherent manner, (iv) overseeing the functionality of management systems and compliance with prudential supervisory institutions, and (v) fostering the dissemination of a correct culture of risks, legality and corporate values.

The Group promotes the adoption of a Governance framework aimed at a clear allocation of responsibilities related to the management, monitoring, and mitigation of risks (including emerging risks), supported by a robust internal control system structured across three lines of defense.

FinecoBank, as Parent company, has provided the Group with a coherent system of internal controls allowing for effective control of the strategic choices of the group as a whole and the management balance of each Group legal entity.

From a methodological point of view, the Internal Control System of the Bank and Fineco AM, the only subsidiary, provides for three types of controls:

- first level controls ("line controls"): these are controls for individual activities and are carried out according to specific operational procedures based on a specific internal regulation. Monitoring and continuously updating these processes are entrusted to 'process supervisors' who

Internal control system

are responsible for devising controls capable to ensure the proper performance of daily activities by the staff concerned, as well as the observance of any delegated powers. The processes subject to control relate both to units that have contact with customers, and internal units;

- second level controls: these are controls related to daily operations connected with the process of measuring risks and are carried out continuously by non-operating units. The Risk Management function (CRO) is responsible for controls on market, credit, and operational risks, aimed at verifying compliance with the limits assigned to the various operational functions and checking the consistency of the operations of the individual production areas with the predefined risk/return objectives. Controls on compliance risks in regulatory areas, for which types of control by the specialised structures are already in place, are assigned to these structures based on the 'Indirect Coverage' operating model;
- third level controls: these controls are typical of internal auditing, based on analysis of information obtained from databases or company reports, as well as on-site controls. This type of control aims to identify breaches of procedures and regulations, in addition to periodically assessing the completeness, adequacy, functioning (in terms of efficiency and effectiveness) and reliability of the internal control system and information system (ICT audit) at a set frequency based on the nature and level of the risks. These controls are assigned to the Internal Audit function; to verify the compliance of the behaviour of the companies belonging to the Group with the guidelines of the Parent Company as well as the effectiveness of the internal control system, the internal audit function of FinecoBank, on a consolidated level, periodically carries out on-site controls on the components of the Group, taking into account the importance of the different types of risk assumed by the entities;
- institutional supervisory controls: these are the controls carried out by the Bank's institutional bodies including, in particular, those of the Board of Statutory Auditors and of the Supervisory Board pursuant to Legislative Decree No. 231 of 8th June 2001.

With regard to the subsidiary Fineco AM, the organisational structure involves the performance of Compliance, Risk Management and Internal Audit activities by units within the company.

As parent company, FinecoBank defines the relevant control and monitor measures of the subsidiary Fineco AM, ensuring an alignment of the implementation of the group internal control system, where possible, in consideration of the specific business carried out by the Irish controlled entity.

The Parent Company's 2nd and 3rd level controls units submit an annual report to the corporate bodies illustrating the controls carried out, their results, and the weaknesses detected with reference to the Parent Company and the banking Group as a whole and proposing steps to be taken to remedy these deficiencies.

Considering the functions and units involved, FinecoBank's internal control system is based on:

- control bodies and functions including, according to their respective responsibilities, the Board of Directors, the Risk and Related Parties Committee, the Remuneration Committee, the Appointments Committee, the Corporate Governance and Environmental and Social Sustainability Committee, the Chief Executive Officer and General Manager, the Board of Statutory Auditors, the Supervisory Body set up pursuant to Legislative Decree 231/01 and the corporate control functions (Risk Management, Compliance, Internal Audit)⁵ as well as other company functions with specific internal control duties⁶;
- procedures for the coordination of entities involved in the internal control and risk management system, which provide for:
 - cooperation and coordination among control functions, through specific information flows that are formalised in internal regulations and through managerial committees dedicated to control issues;
 - definition of information flows between the Bank's corporate bodies and control functions.

⁵ The corporate control functions also include the Anti-Money Laundering Function, the Validation Function as regulated by the relevant provisions and the ICT and Security Risk Control Function as regulated by Chapter 4, Section. II, par. 4 of the Bank of Italy Circular no. 285/2013. The DPO, Outsourcing, & ICT & Security Compliance Unit also operates within the Compliance Department, whose manager is assigned the role of Data Protection Officer by resolution of the Board of Directors of FinecoBank.

⁶ The legislative framework could assign control tasks to specific functions - other than corporate control functions - which activity must be integrated within the Internal Control System.

In this regard, the Bank has identified some functions / organizational structures which, on the basis of specific tasks assigned, oversee certain regulatory areas. In particular, the safeguards of the Manager in charge of preparing the corporate accounting documents and that of Control on the sales network of the tied agents are relevant.

The model of the indirect control presumes that other functions than Compliance, known as "Specialist Areas" (such as Tax, HR, etc.) have the main responsibility for certain regulatory areas that are not covered by Compliance. In order to provide an overall view on the compliance risk, Compliance function could delegate related assessments for the areas controlled directly and those controlled jointly with the specialized areas. However, Compliance remains the responsible function in collaboration with the specialist areas at least for the definition of the methodology for risk assessment and for the evaluation of the compliance risk and the identification of the related procedures, therefore, proceed to verify the adequacy of the procedures in place to prevent the compliance risk.

All corporate functions, other than the Corporate Control Functions, participate in the Internal Control System by carrying out the first level controls, which are incorporated into their relevant business processes.

Internal control system

In addition, it should be noted that the FinecoBank Group, as a significant institution according to Regulation (EU) No. 468/2014, is subject to the direct supervision of the European Central Bank (ECB). Consequently, the annual Supervisory Review and Evaluation Process (SREP) Assessment, is carried out by a Joint Supervisory Team (JST), composed by ECB analyst from the DG “Specialized Institutions & LSIs” as well as members of the “Banking Supervision 1 department” of the Bank of Italy.

Main risks and uncertainties

This Consolidated interim report on operations provides a representation of the macroeconomic environment and the main risks inherent therein, which should be read in conjunction with the forward-looking guidance contained in the chapter on the outlook for operations. It also provides an update on the information on the management of the main risk aspects for the Group related to the military conflict between Russia and Ukraine.

For a complete description of the financial risks faced by the Group and, more specifically, credit risks, market risks, liquidity risks and operational risks, please refer to Part E – Information on risks and relating hedging policies of the notes to the accounts.

Organisational structure

The Parent Company's Organisational Model

The Parent Company follows a functional organisational model that groups operations on the basis of a specific function and common processes; all knowledge and abilities concerning specific operations are constantly built and strengthened, creating thorough expertise for every individual unit and thus for the organisation as a whole. The strength of the functional model is its ability to promote economies of scale, as all employees belonging to a given function will share competencies and processes, avoiding duplication and waste. The functional model also facilitates the development of vertical capacities and knowledge within the specific area and ensures a dynamic decision-making process. Although the Parent Company's current arrangement applies the concept of "functional specialisation", horizontal connections across the different functions are maintained, in part through a project-based approach at every phase of definition and release of products and services: project groups involve one or more members of the appropriate functions who bring their own in-depth knowledge from their area of expertise. The horizontal connections are also guaranteed by the work of managerial committees whose duties include monitoring progress on the most important projects. The synergies between the distribution channels and the monitoring of decision-making processes that cut across the departments are ensured by a Management Committee.

The model followed by the Bank identifies the following corporate control functions: i) compliance with regulations; ii) risk management; iii) internal audit and iv) anti-money laundering function⁷; as well as additional specialised functions, including the CFO (Chief Financial Officer), the Nominated Official in charge of drawing up Company Accounts, Legal Affairs, Chief People Officer, Corporate Identity, and oversight of the PFA network.

In addition, the model identifies three additional functional lines, which govern:

- the sales network (Network PFA & Private Banking Department);
- the business (Global Business Department);
- operational functioning (Global Banking Services Department).

In brief:

- the Network PFA & Private Banking Department is responsible for overseeing the management and development of the personal financial advisors network enabled for off-site distribution, and for providing the necessary support to the sales network in the management of Private Banking customers;
- the Global Business Department is responsible for overseeing the development of Trading, Banking, Credit and Investing products and the financial advisory services provided to the Bank's customers;
- the Global Banking Services (GBS) Department coordinates the organisational units in charge of monitoring the organisational/operating processes and the ICT and logistics systems needed to ensure the effective and efficient operation of business support systems. The following organisational units report to the GBS Department: ICT & Security Office Department (CIO), Customer Relationship Management (CRM) Department, Organisation & Bank Operations Department, Financial Operations Department, Procurement Office Team, Real Estate Unit, General Services Unit and Operational Monitoring & Private Bankers Team.

The three Deputy General Managers and related Departments (Network PFA & Private Banking Department, Global Business Department and Global Banking Services Department) report to the Chief Executive Officer and General Manager, in addition to the following organizational structures: the Chief Financial Officer (CFO) Department, the Chief Risk Officer (CRO) Department, the Chief Lending Officer (CLO) Department, the Network Controls, Monitoring & Services Department, the Legal & Corporate Affairs Department, Chief People Officer Department, Compliance Department, Anti-Money Laundering & Anticorruption Department, the Regulatory Affairs Team & Resolution Unit and the Identity & Communications Team.

Internal Audit reports directly to the Board of Directors, the Body responsible for Strategic Supervision.

Effective January 1, 2025, the December 2024 Board of Directors approved a review of the Regulatory Affairs & Resolution Unit to better manage discussions with the authorities and prepare reports for corporate bodies.

During the first half of 2025, the Board of Directors approved:

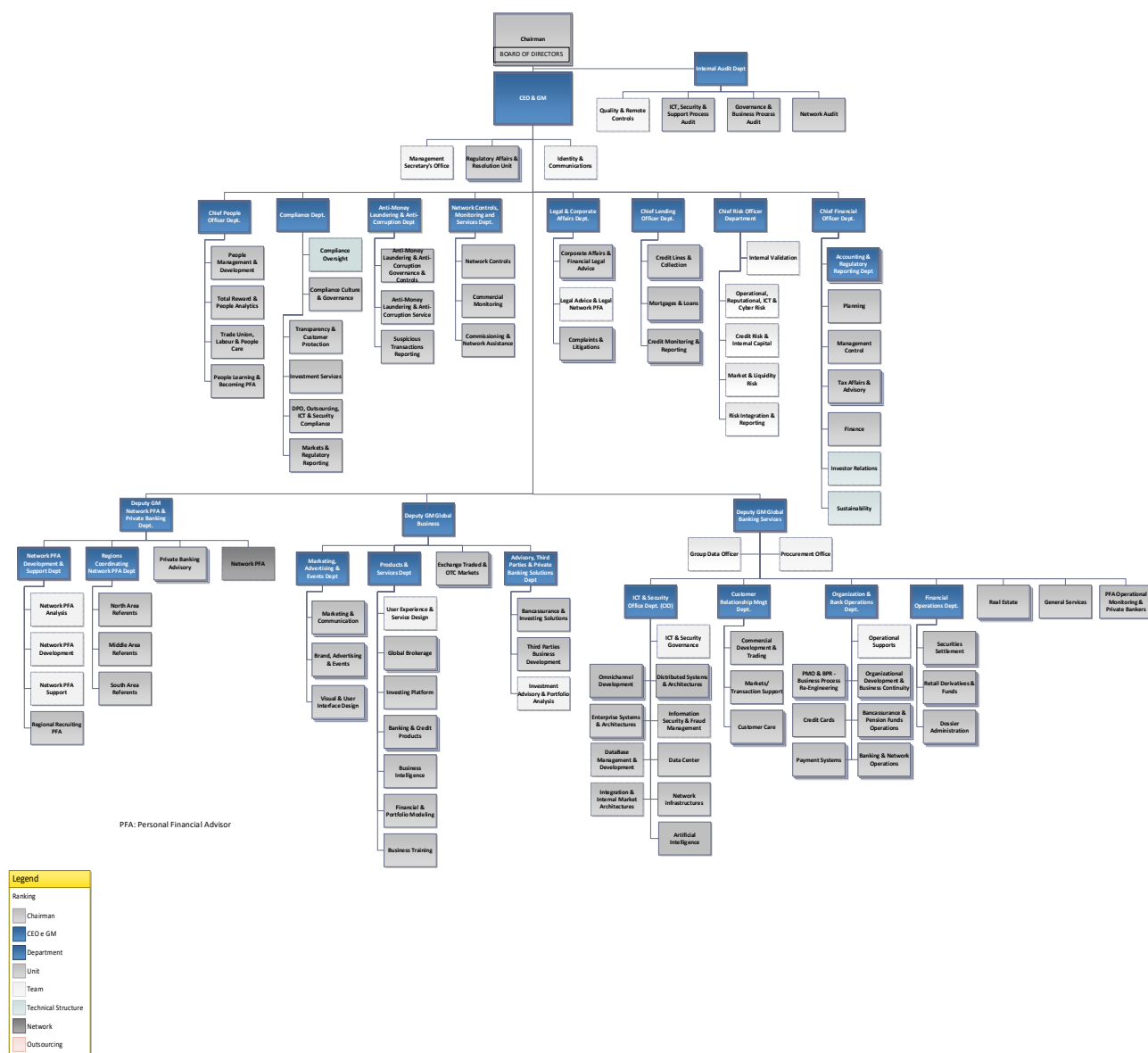
- in January, a reorganization of the reporting structures to the PFA Network and Private Banking Sales Department to ensure greater oversight of the sales network's management and development activities;
- in March, within the Global Business Department, the transfer of user experience-related activities from the Marketing, Advertising & Events Department to the Products & Services Department;
- in May:
 - within the PFA Network and Private Banking Sales Department, the creation of reporting structures to the Private Banking Advisory unit to support the sales network in providing consulting services dedicated to real estate management and wealth and succession planning;

⁷ The corporate control functions also include the validation function as governed by the relevant provisions and the ICT and security risk control function as governed by Chapter 4, Section II, Paragraph 4 of Bank of Italy Circular No. 285/2013

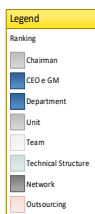
Consolidated interim report on operations

Organisational structure

- in the Real Estate unit, reporting directly to the Deputy Director General of Global Banking Services, the creation of a structure to support the unit manager as the Employer's Delegate pursuant to Article 16 of Legislative Decree 81/2008, Title I, and as Project Manager pursuant to Legislative Decree 81/2008, Title IV;
- in the Chief Lending Officer Department, the creation of separate structures based on the type of product (mortgage or loan) reporting directly to the Mortgages and Loans unit.



PFA: Personal Financial Advisor



Organisational structure

Group management system

The Parent Company FinecoBank is responsible for maximizing the long-term value of the Group as a whole, guaranteeing the unitary governance, direction and control of the Group entities.

For this purpose, FinecoBank has defined rules for the governance of the FinecoBank Banking Group in order to fully exercise its role in managing and coordinating the Group⁸, as well as outlining the Group's managerial/functional management system and disciplined the key processes between the Parent Company and the entities of the Group.

The Parent Company ensures the coordination of the entities' activities with a managerial management system based on the concept of the "competence lines", through the strong functional link between the Parent Company structure and the organizational structure of the entities (the entity's homologous function).

The Competence Lines are represented by the structures/functions which, operating transversally between the Parent Company and the Group' entities, have the objective of directing, coordinating and controlling the activities and risks of the Group as a whole and through the structures/functions present locally of the entities. The Competence Lines operate in the following areas: Investor Relations, Finance and Treasury, Planning and Control, Accounting & Regulatory reporting, Planning and Tax Affairs and Advisory (Chief Financial Officer area); Risk Management (within the Chief Risk Officer area); Credit (within the Chief Lending Officer); Legal/Corporate; Compliance; Anti-Money Laundering & Anticorruption; Internal Audit, Chief People Officer, Identity & Communication, Organization/Business Continuity & Crisis Management/ICT/Security/Purchasing (Global Banking Services).

With the aim of achieving a strong functional and managerial connection at Group level, within the constraints set by applicable local laws and regulations, the Competence Line Managers have a direct role and, in compliance with the responsibilities of the Corporate Bodies of the Entities, specific powers of direction, support and control with reference to the corresponding functions of the entities, always in coordination with the Top Management of the respective entity.

⁸ In accordance with Article 61 of Legislative Decree no. 385 of September 1st, 1993 (the "Italian Banking Law") and the Supervisory Instructions issued by the Bank of Italy.

Main balance sheet aggregates

Cash and cash balances

Cash and cash balances amounted to € 1,603.9 million as at June 30th, 2025 shows a reduction of € 358.9 million compared to 31 December 2024 (€1,962.9 million as at December 31st, 2024) as a result of FinecoBank's decision, in line with the changing market scenario, to invest part of the liquidity, previously employed in overnight deposits at the Bank of Italy, in bonds issued by supranational and government counterparties in the Eurozone. The item consisted mainly of the overnight deposit opened at the Bank of Italy, for a total amount of € 1,277 million, the liquidity deposited to the Bank of Italy, net of the compulsory reserve, which is represented in the item Loans to banks, in the amount of € 1.4 million and the liquidity deposited on current accounts with credit institutions for the settlement of payment transactions, for the settlement of securities transactions, for the management of Fineco AM's liquidity, for a total amount of € 325.4 million.

Financial assets held for trading

The Group does not intend to take speculative positions on its own account. The trading book, in fact, is managed for the proper conduct of brokerage activities with clients, in which FinecoBank acts as the Client's direct counterparty. This activity also includes systematic internalization of a defined selection of financial instruments and market-making activity on certificates issued by the Bank.

Financial assets held for trading as at June 30th, 2025 totalled € 46.2 million and include the following financial instruments:

- equities, amounted to € 39.1 million (€ 22.1 million as at December 31st, 2024), held in the Bank's portfolio as mainly used for the managerial hedging of positions on derivative contracts on shares open in counterpart of the customers and, to a lesser extent, from the internalisation activity and intended to be traded in the short term;
- the positive valuation of spot contracts for securities in the held for trading portfolio and currencies to be settled in time frames established by market practices ("regular way") for € 3.4 million (€ 1.2 million as at December 31st, 2024), which correspond to negative valuations booked under "Financial liabilities held for trading";
- the positive valuation of CFD derivatives, traded in counterpart of the customers, and derivative contracts settled or entered into with institutional counterparties used for the related managerial hedging of the above-mentioned derivative contracts and of the derivative contracts Knock Out Options and Certificates issued, for a total amount of € 3.7 million (€ 5.2 million as at December 31st, 2024).

CFDs are "Over the counter" derivative contracts that require the payment of a spread generated by the difference between the opening and closing price of the financial instrument. The Bank in operational terms hedges the imbalance of customer positions by underwriting futures or the purchase/sale of equity securities on the same underlyings or through forex transactions with institutional.

Loans to banks

(Amounts in € thousand)

	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amount	%
Loans to central banks	298,742	283,355	15,387	5.4%
Loans to banks	120,379	87,378	33,001	37.8%
Time deposits	77,120	63,624	13,496	21.2%
Other loans:	43,259	23,754	19,505	82.1%
1. Reverse repos	43	292	(249)	-85.3%
2. Others	43,216	23,462	19,754	84.2%
Total	419,121	370,733	48,388	13.1%

Loans to banks, amounted to € 419.1 million, increasing by € 48.4 million compared to December 31st, 2024.

"Loans to central banks" consist exclusively of the compulsory reserve deposited in Bank of Italy.

The item "Other loans: 1. Reverse repos" include only stock lending transactions, which are securities lending transactions secured by amount of money at the lender's full disposal and which are, in substance, equivalent to repurchase agreements on securities. The item does not include the technical form of securities lending with collateral consisting of other securities or without collateral. These transactions are shown as "off-balance sheet" transactions in table A.1.4 in Part E - Information on risks and related hedging policies - Section 2 - Risks of the prudential consolidation - Quantitative information in the notes to the accounts.

Main balance sheet aggregates

The item "Other loans: 2. Others" consists of € 34.5 million for the amount of the initial margin, variations margins and collateral deposits for derivative and other financial instrument transactions (€ 9.9 million as at December 31st, 2024) and of € 8.7 million for current receivables associated with the provision of financial services (€ 13.5 million as at December 31st, 2024).

Net interbank position

(Amounts in € thousand)

	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amount	%
Cash	1,603,789	1,962,871	(359,082)	-18.3%
Current accounts and demand deposits to Central banks	1,278,388	1,688,889	(410,501)	-24.3%
Current accounts and demand deposits to banks	325,401	273,982	51,419	18.8%
Loans to banks	410,440	357,212	53,228	14.9%
Loans to central banks	298,742	283,355	15,387	5.4%
Loans to banks	111,698	73,857	37,841	51.2%
Due to banks	(856,036)	(846,892)	(9,144)	1.1%
Due to banks	(856,036)	(846,892)	(9,144)	1.1%
Net interbank position	1,158,193	1,473,191	(314,998)	-21.4%

The net interbank position is calculated as the difference between: (i) Loans to banks, excluding operating receivables, and including current accounts and demand deposits with central banks and other banks (recorded under Cash and cash equivalents) and (ii) Due to banks, excluding operating payables and lease liabilities. Therefore, it includes collateral deposits, initial margins, variation margins for derivatives and other financial instrument transactions.

The reduction in the net interbank position is a consequence of FinecoBank's decision, mentioned above, to invest part of its available liquidity in bonds issued by supranational and eurozone government counterparties.

Loans to customers

(Amounts in € thousand)

	Amount as at		Changes	
	06/30/2025	12/31/2024	Amount	%
Current accounts	2,142,864	2,052,968	89,896	4.4%
Reverse repos	131,367	158,389	(27,022)	-17.1%
Mortgages	2,218,590	2,311,534	(92,944)	-4.0%
Credit cards and personal loans	841,988	874,292	(32,304)	-3.7%
Other loans	834,219	838,460	(4,241)	-0.5%
Total	6,169,028	6,235,643	(66,615)	-1.1%

Loans to customers amounted to € 6,169.0 million, decreased by € 66.6 million compared to December 31st, 2024 (-1.1%) and can be broken down as follows:

- credit facilities in current accounts for € 2,142.9 million, mainly with credit lines, that increased by € 89.9 million compared to December 31st, 2024, of which loans with a security collateral (in particular "Credit Lombard") totalled to € 2,019.8 million;
- € 131.4 million in reverse repos, decreasing by € 27.0 million compared to December 31st, 2024, mainly made by "Multiday leverage" with retail customers, securities lending transactions guaranteed by sums of money readily available to the lender and which are basically the equivalent of repos on securities, the amount of which is directly linked to the transactions carried out by customers and outstanding at June 30th, 2025. Reverse repo transactions carried out by the Parent Company treasury on the Repo MTS market and settled through a

Consolidated interim report on operations

Main balance sheet aggregates

Central Counterparty, subject to netting in the balance sheet as required by IAS 32, amounted to € 3.8 million (€ 5.1 million as at December 31st, 2024);

- € 2.218,6 million in mortgages, down € 92.9 million compared to December 31st, 2024. Disbursements in the first half of 2025 amounted to € 37.4 million (€ 33.3 million during the first half of 2024);
- € 842.0 million in credit cards (revolving and use) and personal loans, down by € 32.3 million;
- € 834.2 million in other loans, mainly made by loans granted to Cronos Vita Assicurazioni S.p.A., for a carrying amount of € 554.9 million, collateral deposits, initial and variation margins for derivative and other financial instrument transactions, for an amount of € 118.9 million (€ 155.6 million as at December 31st, 2024), and current receivables associated with the provision of financial services, for an amount of € 155 million (€ 151.5 million as at December 31st, 2024).

The item "Reverse repos" does not include the technical form of securities lending with collateral consisting of other securities or without collateral. These transactions are shown as "off-balance sheet" transactions in table A.1.5 in Part E - Information on risks and related hedging policies - Section 2 - Risks of the prudential consolidation - Quantitative information in the notes to the accounts.

The portfolio of **loans to ordinary customers** amounted to € 5,208.8 million and mainly consists of receivables for personal loans, mortgages, credit facilities in current accounts and credit card revolving and use.

(Amounts in € thousand)

Loans to Customers (Management Reclassification)	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amount	%
Current accounts	2,137,351	2,051,186	86,165	4.2%
Credit cards use	376,849	408,444	(31,595)	-7.7%
Mortgages	2,217,013	2,309,858	(92,845)	-4.0%
Personal loans	464,542	465,273	(731)	-0.2%
Other loans	5,377	3,966	1,411	35.6%
Performing loans	5,201,132	5,238,727	(37,595)	-0.7%
Current accounts	5,512	1,781	3,731	209.5%
Mortgages	1,577	1,676	(99)	-5.9%
Credit cards use	34	30	4	13.3%
Personal loans	564	545	19	3.5%
Other loans	22	10	12	120.0%
Impaired loans	7,709	4,042	3,667	90.7%
Loans to ordinary customers	5,208,841	5,242,769	(33,928)	-0.6%
Institutional customer loans	554,857	527,411	27,446	5.2%
Reverse repos	131,368	158,316	(26,948)	-17.0%
Reverse repos - impaired	-	73	(73)	-100.0%
Collateral deposits and initial and variation margins	118,937	155,553	(36,616)	-23.5%
Current receivables associated with the provision of financial services	155,016	151,520	3,496	2.3%
Current receivables associated with the provision of financial services - impaired	9	1	8	n.a.
Current receivables and other receivables	960,187	992,874	(32,687)	-3.3%
Loans to customers	6,169,028	6,235,643	(66,615)	-1.1%

Institutional customer loans include, only, loans granted to Cronos Vita Assicurazioni S.p.A..

Current receivables associated with the provision of financial services also include current receivables from financial advisors, part of which relate to terminated financial advisors.

Main balance sheet aggregates

Impaired assets

(Amounts in € thousand)

Category	Gross amount		Impairment provision		Net amount		Coverage ratio*	
	Amount as at		Amount as at		Amount as at		Data as at	
	06/30/2025	12/31/2024	06/30/2025	12/31/2024	06/30/2025	12/31/2024	06/30/2025	12/31/2024
Bad exposures	15,857	17,128	(14,821)	(16,335)	1,036	793	93.5%	95.4%
Unlikely to pay	7,646	7,199	(5,463)	(5,210)	2,183	1,989	71.4%	72.4%
Past-due loans	6,797	3,392	(2,296)	(2,058)	4,501	1,334	33.8%	60.7%
Total	30,300	27,719	(22,580)	(23,603)	7,720	4,116	74.5%	85.2%

(*) Ratio of the data in the column Impairment Provision and Gross Amount

The amount of non-performing loans net of impairment provision was € 7.7 million, of which € 1.0 million in bad exposures, € 2.2 million in unlikely to pay exposures and € 4.5 million in past-due loans. The impaired assets are the 0.15% of loans to ordinary customers (0.08% as at December 31st, 2024). The coverage ratio of impaired assets is equal to 74.5%.

The increase in past due loans compared to December 31, 2024, is primarily due to the seasonal nature of interest charges on current account overdrafts. The reduction in the coverage ratio for past due loans is also attributable to the high incidence of secured and guaranteed current account overdrafts, characterized by a low level of coverage justified by the financial pledge.

Financial investments

(Amounts in € thousand)

	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amount	%
Financial assets at fair value through profit or loss c) other financial assets mandatorily at fair value	5,727	5,620	107	1.9%
Financial assets at fair value through other comprehensive income	300,748	296,410	4,338	1.5%
Financial assets at amortised cost	24,783,672	23,121,743	1,661,929	7.2%
- financial assets at amortised cost to banks - debt securities	2,283,618	2,137,781	145,837	6.8%
- financial assets at amortised cost to customers - debt securities	22,500,054	20,983,962	1,516,092	7.2%
Investments in associates and joint ventures	1,686	1,674	12	0.7%
Total	25,091,833	23,425,447	1,666,386	7.1%

"Financial assets at fair value through profit or loss c) other financial assets mandatorily at fair value" mainly consist of the Visa INC preferred shares (class "C" and "A") for an amount of € 3.9 million, as well as the debt securities and UCITS for an amount of € 1.7 million.

"Financial assets designated at fair value through other comprehensive income" consist of securities issued by Sovereign States and Supranational institutions for an amount of € 300.7 million (€ 296.4 million as at December 31st, 2024) and residually of equity interests in companies in which the Group does not exercise control or significant influence for € 54 thousand for which the "FVTOCI"⁹ option was exercised.

The debt securities recorded in "Financial assets at amortised cost" issued by credit institutions or supranational organisations and government agencies that fall under the definition of credit institutions, totalling € 2,283.6 million (€ 2,137.8 million as at December 31st, 2024) and bonds issued by issuers other than credit institutions represented, mainly, by Sovereign, supranational issuers and local authorities, amounting to € 22,500.1 million (€ 20,984.0 million at 31 December 2024). It should be noted that the balance sheet value includes the negative valuation of fixed-rate securities subject to micro hedging against interest rate risk.

The liquidity raised by the Group is mainly used to purchase debt securities, recorded under "Financial assets at fair value through other comprehensive income" and "Financial assets at amortised cost", in compliance with the Investment Plan prepared by the CFO Department, which defines the size

⁹ With regard to non-trading equity instruments, IFRS 9 provides for the possibility of measuring them at the fair value recognised through other comprehensive income (so-called FVTOCI – fair value through Other Comprehensive Income).

Main balance sheet aggregates

and main characteristics of the investment portfolio. Purchases during the period contributed to the increase in the carrying amount of securities recorded under "Financial assets at amortized cost" of €1,661.9 million compared to December 31st, 2024.

The two main sovereign issuers to which the Group is exposed are the Italian State, whose securities account for 17.2% of balance sheet assets, and the Spanish State, whose securities account for 11.1% of balance sheet assets. For more information on sovereign exposures, see the Consolidated Notes to the Financial Statements - Part E - Information on risks and related hedging policies - Information on exposure to securities issued by Sovereign.

As of 30 June, 2025 the investment portfolio of debt securities had a residual maturity of 3.7 years and a duration of 2.4 years.

Hedging instruments

(Amounts in € thousand)

	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amount	%
Asset hedging derivatives - positive valuations	596,626	657,029	(60,403)	-9.2%
Liability hedging derivatives - positive valuations	13,569	20,518	(6,949)	-33.9%
Adjustment to the value of assets under macro-hedge	(157,068)	(150,275)	(6,793)	4.5%
Total assets	453,127	527,272	(74,145)	-14.1%
of which:				
Positive valuations	595,441	652,649	(57,208)	-8.8%
Accrued interest	14,754	24,898	(10,144)	-40.7%
Adjustments to the value of hedged assets	(157,068)	(150,275)	(6,793)	4.5%
Total assets	453,127	527,272	(74,145)	-14.1%
Asset hedging derivatives - negative valuations	42,336	42,854	(518)	-1.2%
Liability hedging derivatives - negative valuations	3,152	5,631	(2,479)	-44.0%
Adjustment to the value of assets under macro-hedge	(1,846)	(3,164)	1,318	-41.7%
Total liabilities	43,642	45,321	(1,679)	-3.7%
of which:				
Negative valuations	29,954	43,400	(13,446)	-31.0%
Accrued interest	15,534	5,085	10,449	205.5%
Adjustments to the value of hedged liabilities	(1,846)	(3,164)	1,318	-41.7%
Total liabilities	43,642	45,321	(1,679)	-3.7%

(Amounts in € thousand)

Summary of hedging derivative valuations	Assets	Liabilities	Difference
Valuation of hedging derivatives for assets and liabilities	595,441	29,954	565,487
Change in macro fair value hedged of assets/liabilities	(157,067)	(1,846)	(155,221)
Change in micro fair value hedged of financial assets/liabilities	(408,542)	-	(408,542)
Total	29,832	28,108	1,724

As at June 30th, 2025 the financial assets under macro-hedge consisted of mortgages to customers shown in "Financial assets at amortised cost", while the financial liabilities under macro-hedge consisted of direct deposits from customers shown in "Financial liabilities at amortised cost".

The financial assets under micro-hedge are represented by securities issued by Sovereign recorded in "Financial assets at amortized cost".

Positive and negative valuations of hedging derivatives related solely to derivative contracts that the Bank has entered to hedge against interest rate risk inherent in the above-mentioned assets and liabilities, whose hedging ineffectiveness amounted to € 1.7 million as at June 30th, 2025.

The negative change in hedging derivative contracts recognised in the first half of 2025 is mainly attributable to the change in fair value of outstanding contracts.

Main balance sheet aggregates

Property, plant and equipment

Property, plant and equipment are made by lands, properties, electronic equipment, office furniture and fittings, plant and machinery, including any “usage rights” determined in accordance with IFRS 16.

(Amounts in € thousand)

Property, plant and equipment	Balance 12/31/2024	Investments 1st Half 2025	Other changes and sales 1st Half 2025	Amortisation and impairment 1st Half 2025	Balance 06/30/2025
Properties and lands	118,238	2,288	268	(6,234)	114,560
Electronic equipment	20,733	4,836	-	(3,922)	21,647
Office furniture and fittings	2,723	466	2	(552)	2,639
Plant and machinery	4,602	1,354	(2)	(626)	5,328
Total	146,296	8,944	268	(11,334)	144,174

Item “Properties and lands” includes the book value of € 62 million of the building in which the Bank’s registered office is located, Milan, Piazza Durante 11, and the “right of use” relating to buildings and lands for an amount of € 52.6 million, determined in accordance with the provisions of IFRS 16, and relating mainly to the lease agreements of the financial centers.

Investments in Properties and lands refer to the recognition of the right of use of leased properties, while “other changes” mainly refer to changes in lease payments due after initial recognition.

Investments in electronic equipment are aimed at the continuous updating of hardware used by all Group structures. Investments in furniture, furnishings, fixtures and equipment are intended for both the offices and the financial centers.

Goodwill

The **Goodwill** recognised in the Bank’s financial statements, amounting to € 89.6 million, derives from transactions carried out in the years from 2001 to 2008, involving acquisitions and mergers by absorption of business units and businesses engaged in trading operations or the distribution of financial, banking and insurance products through the personal financial advisors (Fineco On Line Sim S.p.A., Trading and Banking business unit of Banca della Rete, personal financial advisors business unit of the former FinecoGroup S.p.A., and UniCredit Xelion Banca S.p.A.).

These activities have been fully integrated with the Bank’s ordinary operations. As a result, it is no longer possible to isolate the contribution of each company/business division from the Bank’s overall income; this means that to establish the reasonableness of the value of goodwill recognised in the financial statements it is necessary to take account of the Bank’s comprehensive income. The cash generating unit (CGU) is therefore the Bank as a whole, including the contribution from the subsidiary Fineco AM, through a vertically integrated business model.

In fact, in view of the specific business model adopted by the Group (which envisages a high level of integration between personal financial advisors, trading and banking platform) the allocation of costs/revenues to the macro areas of activity is not considered relevant or meaningful; the Network of personal financial advisors is an integral part of the overall offer, along with banking, brokerage and investing services.

It should be noted that as at June 30th, 2025 there were no indicators of impairment of the goodwill and Fineco brands and domains recognised in the financial statements. In this regard, it should be noted that at June 30th, 2025, the Bank has assessed that the changes reasonably estimated in the forward-looking data used at December 31st, 2024 are not such as to have a significant impact on the positive outcome of the impairment test carried out at that date, the results of which confirmed the sustainability of the goodwill recognised in the financial statements and did not indicate the need for an impairment loss in any of the hypothesised scenarios, confirming a value in use that is significantly higher than the carrying amount. Also, the sensitivity analyses carried out on that date show that the impairment test would reach a break-even level assuming changes in the main parameters used in the valuation model that cannot be reasonably assumed at present. It should also be noted that FinecoBank’s share has a market capitalisation at June 30th, 2025 of € 11,519 million, which is significantly higher than the consolidated equity and the result of the model used for the impairment test, confirming the reasonableness of the criteria applied in calculating value in use.

For more details on the impairment test and related sensitivity analyses, please refer to Part B - Information on the consolidated balance sheet - Section 10 - Intangible assets of the notes to the consolidated accounts of the financial statements at December 31st, 2024.

Main balance sheet aggregates

Other intangible assets

Other intangible assets include Fineco's trademarks and domains, amounting to € 27.5 million, and software with long-term usefulness, necessary to manage the evolution and the continuous offer by the Group of new and more versatile high-added-value services for customers, infrastructure and application optimizations, improvements to the architecture dedicated to application security and developments needed to meet new regulatory and financial reporting requirements, for an amount of € 7.1 million.

It should be noted that Fineco Trademarks and Domains are intangible assets with an indefinite useful life and are subject to impairment test together with Goodwill.

(Amounts in € thousand)

Intangibles assets	Balance 12/31/2024	Investments 1st Half 2025	Other changes and sales 1st Half 2025	Amortisation and impairment 1st Half 2025	Balance 06/30/2025
Software	7,783	1,508	-	(2,171)	7,120
Brands	27,459	-	-	-	27,459
Total	35,242	1,508	-	(2,171)	34,579

Tax credits acquired

Tax credits acquired include the carrying amount of tax credits purchased under Decree-Law 34/2020 and subsequent updates, for a carrying amount of € 847.7 million, down from € 1,259.1 million outstanding at December 31st, 2024, as a result of offsets made in the period, as tax credits were purchased during the first half of 2025 for an insignificant amount. The item includes both tax credits purchased because of assignment by direct beneficiaries and purchased as a result of assignment by previous purchasers.

Main balance sheet aggregates

Tax Assets and Other Assets

(Amounts in € thousand)

	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amount	%
Tax assets				
Current assets	180	-	180	n.a.
Deferred tax assets	36,461	59,059	(22,598)	-38.3%
Deferred tax assets pursuant to Law 214/2011	867	867	-	n.a.
<i>Total before IAS 12 offsetting</i>	<i>37,508</i>	<i>59,926</i>	<i>(22,418)</i>	<i>-37.4%</i>
Offsetting with deferred tax liabilities - IAS 12	(7,231)	(6,676)	(555)	8.3%
Total Tax assets	30,277	53,250	(22,973)	-43.1%
Other assets				
Trade receivables according to IFRS15	7,786	7,746	40	0.5%
Current receivables not related with the provision of financial services	3,689	4,183	(494)	-11.8%
Receivables due to disputed items not deriving from lending	129	129	-	n.a.
Notes, cheques and other documents	8,867	3,890	4,977	127.9%
Improvement and incremental expenses incurred on leasehold assets	2,238	2,051	187	9.1%
Definitive items not recognised under other items	9,803	3,930	5,873	149.4%
Tax items other than those included in the item "Tax assets":	226,029	389,993	(163,964)	-42.0%
- tax advances	224,968	387,052	(162,084)	-41.9%
- tax credit	1,061	2,941	(1,880)	-63.9%
Items in processing:	13,338	13,174	164	1.2%
- POS, Bancomat and Visa debit	13,316	13,154	162	1.2%
- others	22	20	2	10.0%
Items in transit not allocated to relevant accounts	54	5	49	n.a.
Accrued income and prepaid expenses other than those related to contracts with customers and other than capitalised in related financial assets or liabilities	30,385	22,531	7,854	34.9%
Accrued income and prepaid expenses related to contracts with customers other than capitalised in related financial assets or liabilities	96,664	90,923	5,741	6.3%
Securities and coupons to be settled	1,748	3,013	(1,265)	-42.0%
Transactions to be charged to customers' credit cards	28,837	13,290	15,547	117.0%
Total other assets	429,567	554,858	(125,291)	-22.6%

The reduction in **Tax assets**, post-IAS 12 offset, is mainly due to the reversal to the income statement of the deferred tax assets relating to the so-called Patent Box tax benefit recorded in the financial statements for the period 2020-2024 following the reaching, at the beginning of 2025, of the renewal agreement with the Office for Advance Agreements and International Disputes of the Revenue Agency regarding the methodology to be used for calculating the economic contribution of the intangible assets being applied for, which explains its effects with the reduction of the taxable income in the 2025 tax return. Please note that the "Tax assets", current and deferred, if the requirements set out in IAS 12 are met, are represented in the balance sheet offset, respectively, with the current and deferred "Tax liabilities".

With regard to **Other Assets**, in particular it should be noted a decrease in the item "Tax items other than those included in the item "Tax assets"", in the amount of € 164.0 million, mainly determined by the use of the advance payment on the substitute tax on miscellaneous income paid in 2024 to offset debts arising in the first six months of 2025.

Main balance sheet aggregates

Due to banks

(Amounts in € thousand)

	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amount	%
Due to banks	859,635	850,600	9,035	1.1%
Current accounts and demand deposits	433	1,947	(1,514)	-77.8%
Loans	269,575	184,414	85,161	46.2%
-Repos	269,575	184,414	85,161	46.2%
Lease liabilities	3,344	3,237	107	3.3%
Other liabilities	586,283	661,002	(74,719)	-11.3%
Total	859,635	850,600	9,035	1.1%

Due to banks amounted to € 859.6 million and highlights an increase of € 9.0 million compared to December 31st, 2024, mainly attributable to the combined effect of the € 85.2 million increase in repurchase agreements, which include securities lending transactions guaranteed by sums of money, and the € 74.5 million reduction in variation margins received for derivatives transactions and securities lending transactions included in the item Other payables.

The item "Loans - Repos" includes only stock lending transactions with credit institutions, stock lending transactions guaranteed by sums of money readily available to the lender and which are basically the equivalent of repos on securities. This item does not include the technical form of securities lending with collateral consisting of other securities or without collateral. These transactions are shown under "off-balance sheet" transactions in table A.1.5 in Part E - Information on risks and related hedging policies - Section 2 - Risks of the prudential consolidation - Quantitative information in the notes to the accounts.

The item "Lease liabilities" represents the financial debt corresponding to the present value of the payments due in the lease agreements stipulated with credit institutions not paid at the reporting date, as required by IFRS 16.

The item "Other liabilities" mainly includes variation margins received for transactions in derivative contracts, the reduction in which is a direct consequence of the negative change in fair value recorded in the period by hedging derivative contracts.

Due to customers

(Amounts in € thousand)

	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amount	%
Current accounts and demand deposits	29,141,614	28,517,922	623,692	2.2%
Time deposits	884,965	1,115,411	(230,446)	-20.7%
Loans	397,099	107,557	289,542	269.2%
- Repos	397,099	107,557	289,542	269.2%
Lease liabilities	51,890	54,935	(3,045)	-5.5%
Other liabilities	205,312	193,089	12,223	6.3%
Total	30,680,880	29,988,914	691,966	2.3%

Due to customers totalled € 30,680.9 million, up € 692.0 million compared to December 31st, 2024, as a result of the increase in direct deposits from customers (increasing in current accounts and decreasing in deposits made through Cash Park) and repos, which include securities lending transactions guaranteed by sums of money (+€ 81.8 million) and funding transactions carried out by the Parent Company's treasury through repurchase agreements on the MTS Repo market (+€ 207.7 million).

The item "Loans - Repos" includes "Short selling" with retail customers and stock lending transactions with institutional customers, securities lending transactions guaranteed by sums of money readily available to the lender and which are basically the equivalent of repos on securities, for an amount of € 189.3 million (€ 107.6 million as at December 31st, 2024). The amounts of short selling and stock lending transactions in place at the balance sheet date, which recorded an increase of € 81.8 million, vary depending on the requests to obtain securities on loan received from customers and counterparties. As of June 30, 2025, the item also includes funding transactions carried out by the Parent Company's treasury through repurchase agreements on the MTS Repo market for an amount of € 207.7 million. This item does not include the technical form of securities lending with collateral consisting of other securities or without collateral. These transactions are shown under "off-balance sheet" transactions in table A.1.5 in Part E -

Main balance sheet aggregates

Information on risks and related hedging policies - Section 2 - Risks of the prudential consolidation - Quantitative information in the notes to the accounts.

The item "Lease liabilities" represents the financial debt corresponding to the present value of the payments due in the lease agreements stipulated with parties other than credit institutions not paid at the reporting date, as required by IFRS 16.

The item "Other liabilities" comprises current payables related to the provision of financial services, totalling € 55.8 million (€ 64.4 million as at December 31st, 2024), initial and variation margins for derivative and financial instrument transactions, which came to € 75.4 million (€ 67.6 million as at December 31st, 2024) and other liabilities for rechargeable credit cards and bankers' checks, amounting to € 74.1 million (€ 61.1 million at December 31st, 2024).

Debt securities in issue

Debt securities in issue amounted to € 804.9 million (€ 810.2 million as at December 31st, 2024) and include exclusively the Senior Preferred instrument issued by FinecoBank in October 2021 for a nominal amount of € 500 million and in February 2023 for a nominal amount of € 300 million.

Financial liabilities held for trading

As specified in the "Financial assets held for trading" section, the Group does not intend to take speculative positions on its own account. The trading book, in fact, is managed for the proper conduct of brokerage activities with customers, in which FinecoBank acts as the Client's direct counterparty. This activity also includes systematic internalization of a defined selection of financial instruments and market-making activity on certificates issued by the Bank. **Financial liabilities held for trading** as at June 30th 2025, totalled € 26.5 million (€ 8.1 million as at December 31st, 2024) and include the following financial instruments:

- technical overdrafts, amounting to € 1.1 million (€ 1 million as at December 31st, 2024), held in the proprietary portfolio for the managerial hedging of derivative contracts on shares open with customers and intended to be traded in the short term;
- the negative valuation of spot contracts for securities in the held for trading portfolio and currencies to be settled in time frames established by market practices ("regular way") for € 3.1 million (€ 1 million as at December 31st, 2024), which correspond to positive valuations booked under "Financial assets held for trading";
- the negative valuation of CFD derivatives contracts, Knock Out Options and Certificates issued, traded in counterpart of customers, as well as the regulated derivative contracts or derivative contracts settled with institutional counterparties for the purpose of hedging such derivative contracts on a managerial basis, for an overall amount of € 22.3 million (€ 6.1 million as at December 31st, 2024).

CFDs are "Over the counter" derivative contracts that require the payment of a spread generated by the difference between the opening and closing price of the financial instrument. The Bank in operational terms hedges the imbalance of customer positions by underwriting futures or the purchase/sale of equity securities on the same underlyings or through forex transactions with institutional counterparties.

Main balance sheet aggregates

Tax liabilities and Other liabilities

(Amounts in € thousand)

	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amount	%
Tax liabilities				
Current liabilities	11,148	19,519	(8,371)	-42.9%
Deferred tax liabilities	7,231	6,675	556	8.3%
<i>Total before IAS 12 offsetting</i>	<i>18,379</i>	<i>26,194</i>	<i>(7,815)</i>	<i>-29.8%</i>
Offset against deferred tax liabilities - IAS 12	(7,231)	(6,675)	(556)	8.3%
Total Tax liabilities	11,148	19,519	(8,371)	-42.9%
Other liabilities				
Payables to Directors and Statutory auditors	165	262	(97)	-37.0%
Payables to employees	21,323	20,093	1,230	6.1%
Outgoing bank transfers	160,485	117,271	43,214	36.9%
Social security contributions payable	7,650	9,193	(1,543)	-16.8%
Current payables not related with the provision of financial services	39,120	46,348	(7,228)	-15.6%
Payables for share-based payments	-	81	(81)	-100.0%
Payment authorisations to be settled	122,863	26,643	96,220	n.a.
Payment orders issued by customers and other transactions to be settled	7,989	7,268	721	9.9%
Definitive items not recognised under other items	7,311	6,395	916	14.3%
Tax items other than those included in the item "Tax liabilities":	63,787	120,542	(56,755)	-47.1%
- sums withheld from third parties as withholding agent	49,956	78,300	(28,344)	-36.2%
- other	13,831	42,242	(28,411)	-67.3%
Illiquid items for portfolio transactions	12,967	8,389	4,578	54.6%
Items in processing:	1,289	3,552	(2,263)	-63.7%
- incoming bank transfers	968	2,609	(1,641)	-62.9%
- other items in processing	321	943	(622)	-66.0%
POS and ATM transactions to be settled	45	27	18	66.7%
Accrued expenses and deferred income other than those related to contracts with customers and other than capitalised in related financial assets or liabilities	1,492	209	1,283	n.a.
Accrued expenses and deferred income related to contracts with customers other than those capitalised on the related financial assets or liabilities	17,108	17,620	(512)	-2.9%
Sums available to be paid to customers	23,625	3,730	19,895	n.a.
Securities and coupons to be settled	18,334	18,735	(401)	-2.1%
Credit card transactions to be settled with circuits	14,170	-	14,170	n.a.
Provisions for employee severance pay	4,057	4,364	(307)	-7.0%
Provisions for risks and charges	164,405	166,071	(1,666)	-1.0%
Total Other liabilities	688,185	576,793	111,392	19.3%

Tax liabilities, after IAS 12 offsetting, are represented exclusively by current tax liabilities, in the amount of € 11.1 million, showing a decrease mainly due to the payment of the 2024 tax balance made during the first half 2025. It should be noted that current and deferred "Tax liabilities", when the requirements of IAS 12 are met, are shown in the consolidated balance sheet offset against current and deferred "Tax assets", respectively.

With regard to **Other liabilities**, it should be noted, in particular, the increase in the item "Outgoing bank transfers" amounting to € 43.2 million, reflecting increased bank transfers initiated by customers awaiting settlement; "Payment authorizations to be settled" amounting to € 96.2 million, reflecting increased payment authorizations received from customers awaiting settlement; and a reduction in "Tax items other than those included in the item "Tax liabilities"" amounting to € 56.8 million, reflecting the payment of the debit balance of the stamp duty for the 2024 financial year and the use of the advance payment for the substitute tax on other income paid in 2024 to offset debts arising in the first six months of 2025.

Main balance sheet aggregates

It should be noted that "Sums available to be paid to customers" include dividends approved by the Shareholders' Meeting on April 29, 2025, amounting to €19.3 million, for which the recipient has deferred collection.

The "Provision for risks and charges", that decreased by € 1.7 million, consists of:

- Provisions for credit risk relating to commitments and guarantees given, for an amount of € 0.1 million (€ 0.1 million as at December 31st, 2024);
- Provisions for risks and charges - Other provisions which include provisions for a total of € 164.3 million, for which, given a liability of uncertain expiry date and/or amount, a current obligation was identified as a result of a past event and the amount arising from fulfilment of said obligation could be estimated reliably.

The disbursements, with estimated maturity exceeding 18 months, were discounted to present value using a rate equal to the time value of money.

(Amounts in € thousand)

	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amount	%
Provision for risks and charges for commitments and guarantees given	76	56	20	35.7%
Legal and fiscal disputes	25,717	25,317	400	1.6%
- Pending cases	22,616	22,291	325	1.5%
- Complaints	2,714	2,436	278	11.4%
- Tax disputes	387	590	(203)	-34.4%
Staff expenses	4,464	8,171	(3,707)	-45.4%
Other	134,148	132,527	1,620	1.2%
- Supplementary customer indemnity provision	121,809	118,460	3,349	2.8%
- Provision for contractual payments	243	238	5	2.1%
- Other provision	12,096	13,829	(1,733)	-12.5%
Provision for risks and charges - Other provision	164,329	166,015	(1,686)	-1.0%
Total provision for risks and charges	164,405	166,071	(1,666)	-1.0%

The provision for "Legal and fiscal disputes" mainly includes accruals made against claims and disputes relating to damages caused to customers as a result of unlawful conduct by the Bank's financial advisors, accruals relating to outstanding disputes with financial advisors (generally labour disputes) and other ongoing judicial and extrajudicial disputes with customers, in relation to ordinary banking business, and other parties, as well as accruals for tax disputes.

The provision "Staff expenses", solely includes, the provisions made for the variable remuneration not included in specific contractual agreements to be paid to employees in subsequent years, which have an uncertain due date and/or amount. The reduction is attributable to payments made in the first half of the year, partially offset by new provisions.

With reference to the provision for "Other", it should be noted the increase in the item "Supplementary customer indemnity provision", attributable to the net provision (service cost and interest expense) recognised during the first half of 2025, amounting to € 5.5 million, partially offset by uses in the period and the actuarial valuation as at June 30th, 2025, which resulted in a reduction in the provision of approximately € 0.6 million.

Main balance sheet aggregates

Shareholders' equity

(Amounts in € thousand)

	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amount	%
Share capital	201,820	201,630	190	0.1%
Share premium reserve	1,934	1,934	-	n.a.
Reserves	1,241,967	1,053,594	188,373	17.9%
(Treasury shares)	(1,280)	(1,082)	(198)	18.3%
Revaluation reserves	(17,988)	(19,049)	1,061	-5.6%
Equity instruments	500,000	500,000	-	n.a.
Net profit (Loss) for the year	317,836	652,285	(334,449)	-51.3%
Total	2,244,289	2,389,312	(145,023)	-6.1%

As at June 30th, 2025, the Bank's share capital came to € 201.8 million, divided into 611,575,321 ordinary shares with a par value of € 0.33 each. Share premium reserve amounted to € 1.9 million.

The reserves consisted of the:

- Legal reserve, amounting to € 40.4 million;
- Reserve for treasury shares held, amounting to € 1.3 million;
- Other reserves:
 - Reserve related to equity-settled plans, amounting to € 53.9 million;
 - Consolidation reserve, amounting to € 42.8 million;
 - Reserves of unavailable profits pursuant to Article 6 paragraph 2 of Legislative Decree 38/2005, for an amount equal to € 2 million;
 - Non-distributable reserve pursuant to Art. 26 paragraph 5-bis Decree Law No. 104 of August 10th, 2023, in the amount of € 30.5 million;
 - other profit reserves, amounting to € 1,071.1 million, of which € 86.4 million subject to a taxability restriction in the event of distribution, allocated as a result of the tax realignment of goodwill provided for by Article 110 of Decree-Law 104 of 2020.

On February 5th, 2025, and upon the favourable opinion of the Remuneration Committee held on February 4th, 2025, the Board of Directors of FinecoBank approved the allocation of:

- the assignment of 212,210 free ordinary shares to the beneficiaries of the 2025 share tranche of the 2018-2020 Employee Long-Term Incentive Plan, awarded in 2018;
- the assignment of 184,547 free ordinary shares to the beneficiaries of the 2025 share tranche of the 2021-2023 Employee Long-Term Incentive Plan, awarded in 2021;
- the assignment of 179,137 free ordinary shares to the beneficiaries of the 2025 share tranche of the 2019 Incentive System, the 2020 Incentive System, the 2021 Incentive System, the 2022 Incentive System, and the 2023 Incentive System;

and, consequently, a free capital increase effective from March 31st, 2025 for a total amount of € 0.2 million.

As a result of the aforementioned capital increases, the available profit reserves were reduced, and in particular, the Reserve related to the medium/long-term incentive plan for FinecoBank's personnel, established with the Extraordinary Reserve, was used. The Extraordinary Reserve was also used to cover transaction costs directly attributable to the above mentioned transactions.

The FinecoBank Shareholders' Meeting held on April 29, 2025, approved the allocation of FinecoBank S.p.A.'s 2024 profit, amounting to € 648.8 million, as follows:

- to the 611,575,321 ordinary shares with a par value of € 0.33, constituting the share capital including 575,894 shares related to the capital increase to support the employee incentive system approved by the Board of Directors on February 5, 2025, a unit dividend of € 0.74 totaling € 452.6 million;
- € 0.04 million to the Legal reserve, corresponding to 0.006% of the profit for the year, having reached the limit of a fifth of the share capital;
- € 196.2 million to the extraordinary reserves.

Pursuant to Article 6, paragraph 1, letter a) of Legislative Decree no. 38/2005, net profits cannot be distributed in an amount corresponding to capital gains recognized in the income statement, net of the related taxes, other than those attributable to trading financial instruments and foreign exchange and hedging transactions, resulting from the application of the fair value or equity method. Pursuant to Article 6, paragraph 2 of Legislative Decree no.

Main balance sheet aggregates

38/2005, such profits must be recorded in a restricted reserve. This reserve was released and allocated to the Extraordinary Reserve in the amount of €0.7 million, corresponding to the change in unrealized capital gains recognized in the 2024 financial year.

Furthermore, during the first half of 2025, the Extraordinary Reserve was reduced by an amount of € 13.6 million, corresponding to the coupon, net of the related taxes, paid to the holders of the Additional Tier 1 instrument issued by the Bank, and was increased by the portion of dividends not distributed in relation to the treasury shares held by the Bank at the record date, equal to € 0.06 million.

As at 30 June 2025, the Group, specifically the Parent Company FinecoBank, held 81,682 shares of FinecoBank, in relation to the incentive plans for financial advisors of the Bank, corresponding to 0.013% of the share capital, for an amount of € 1.3 million. During first half 2025 n. 53,680 shares, for an amount of € 1 million, were purchased in relation to the 2024 Incentive System for financial advisors identified as "Key personnel" and n. 19,004, n. 5,493, n. 22,507 and n. 6,194 FinecoBank ordinary shares held in the portfolio were assigned to financial advisors respectively in execution to the 2021, 2022 and 2023 Incentive System and 2018-2020 Long Term Incentive Plan, for an amount of € 0.8 million. Consequently, the Treasury shares reserve increased by a total of € 0.2 million with a simultaneous decrease in the Extraordinary reserve.

The "Reserve related to Equity Settled plans" increased by € 3.2 million as a result of the recognition, during the vesting period of the instruments, of the economic and equity effects, in accordance with International Financial Reporting Standard IFRS 2, of the share-based payment agreements and settled with FinecoBank ordinary shares and was used for € 0.8 million following the allocation to the financial advisors of the share tranches, previously mentioned, relating to the incentive system 2021, 2022 and 2023 Incentive System and 2018-2020 Long Term Incentive Plan.

The Valuation reserve consist of:

- € 0.4 million from the net positive valuation reserve for debt securities issued by Sovereign and Supranational institutions accounted for in "Financial assets at fair value through other comprehensive income", which recorded a positive change of € 0.5 million compared to December 31st, 2024, due to the fair value change net of taxes;
- - € 18.4 million from the negative net reserve for defined benefit plans, which recorded a positive change of € 0.5 million compared to December 31st, 2024, due to the recognition of actuarial gains related to the provision for Supplementary customer indemnity provision;
- € 0.01 million from the positive reserve of the shares of the valuation reserves of investments valued at equity.

The consolidated Shareholders' equity includes, finally, the capital instruments Additional Tier 1 issued on 4 March 2024 with a nominal value of € 500 million. The capital instrument is a public placement, perpetual, traded on the regulated market managed by Euronext Dublin, rated BB- (S&P Global Ratings). The coupon for the first 5.5 years was set at 7.5%.

Main balance sheet aggregates

Reconciliation between Shareholders' equity and net profit/(loss) for the period of FinecoBank and corresponding consolidated figures

(Amounts in € thousand)

Description	Shareholders' Equity	of which: Net Profit
	06/30/2025	06/30/2025
FinecoBank balances	2,174,268	290,624
Effect of consolidation of Fineco AM	105,226	62,417
Dividends from Fineco AM cashed in the period	(35,205)	(35,205)
Shareholders' equity and profit attributable to minorities	-	-
Balances attributable to the Group	2,244,289	317,836

Income Statement Figures

Financial margin

Financial margin stood at € 315.0 million, down 13.3% compared to the first half of the previous year.

Net interest in first half 2025 amounted to € 315.8 million, down € 45.7 million on the same period of previous year mainly due to the reduction in market interest rates. It should be noted that a portion of loans and debt securities held by the Group are sensitive to changes in interest rates, also thanks to entering in derivative contracts to hedge interest rate risk, which provide for the collection of the variable rate and the payment of the fixed rate. The item Net interest also includes income generated by securities lending activities carried out by the Parent Company's treasury, amounting to € 1.0 million (€ 0.8 million in the first half 2024).

Profits from Treasury amounted to € -0.8 million and only include net gains generated from the sale of securities accounted for in "Financial assets at amortised cost" (€ 1.8 million in the first half 2024). The sales took place in accordance with IFRS9 and in application of the rules defined for the HTC business model.

The following table provides a breakdown of interest income by the financial assets/liabilities that gave rise to it.

(Amounts in € thousand)

Interest Income	1st Half		Changes	
	2025	2024	Amount	%
Financial assets at fair value through comprehensive income	4,040	797	3,243	n.a.
Other financial assets mandatorily at fair value	2	1	1	100.0%
Financial assets at amortised cost - Debt securities issued by banks	10,382	10,298	84	0.8%
Financial assets at amortised cost - Debt securities issued by customers	142,705	112,839	29,866	26.5%
Financial assets at amortised cost - Loans to banks	1,712	2,083	(371)	-17.8%
Financial assets at amortised cost - Loans to customers	86,599	103,840	(17,241)	-16.6%
Hedging derivatives	75,992	116,221	(40,229)	-34.6%
Other assets	39,559	73,965	(34,406)	-46.5%
Financial liabilities	5	36	(31)	-86.1%
Other financial margins from Treasury activities	962	829	133	16.0%
Total interest income	361,958	420,909	(58,951)	-14.0%

Interest income on Financial assets at fair value through comprehensive income show a positive change of € 3.2 million, as a result of the increase in volumes, thanks to the purchases of debt securities already carried out during the previous financial year, in compliance with the Investment Plan managed by the CFO Management which defines the size and main characteristics of the investment portfolio.

Interest income on Financial assets at amortised cost - Debt securities issued by banks do not show significant variations compared to the interests recorded in the first half of 2024.

Interest income on Financial assets at amortised cost - Debt securities issued by customers mainly refer to interest accrued on government, supranational institution and local authorities bonds. The increase (+€ 29.9 million) is mainly attributable to the increase in volumes, thanks to the purchases of debt securities made both during the previous financial year and during the first half of 2025, in compliance with the Investment Plan maintained by the CFO Management which defines the size and main characteristics of the investment portfolio.

Hedging derivatives include the positive and negative differentials of derivative contracts entered into to hedge interest rate risk on loans lent to customers and debt securities accounted for in "Financial assets at amortised cost", which provide for payment of the fixed rate and the collection of the indexed rate, and on direct deposits from customers accounted for in "Financial liabilities at amortised cost", which provide for the payment of the indexed rate and the collection of the fixed rate. The negative change in differentials equal to € -40.2 million is mainly attributable to the previously mentioned reduction in market rates.

Interest income recognised in Other assets includes interest calculated using the effective interest method accrued on purchased tax credits, amounting to € 17.4 million (€ 20.9 million in the first half 2024), the decrease of which is attributable to the reduction in volumes due to the compensations, and interest accrued on sight receivables from banks and central banks recognised in "Cash and cash balances" in the amount of € 22.1 million (€ 53 million as at June 30th, 2024), the decrease of which is attributable both to the reduction in volumes and to the reduction in the remuneration rate on deposits at the central bank.

Income Statement Figures

Other financial margins from Treasury activities include income generated by securities lending activities carried out by the Parent Company's treasury.

With regard to **interest on Financial assets at amortised cost – Loans**, a table detailing the composition by counterparty, banks and customers, and technical form is given below:

(Amounts in € thousand)

Breakdown of interest income	1st Half		Changes	
	2025	2024	Amount	%
Interest income on loans to banks	1,712	2,083	(371)	-17.8%
- reverse repos	82	12	70	n.a.
- time deposits	1,436	1,866	(430)	-23.0%
- other loans and cash collaterals	194	205	(11)	-5.4%
Interest income on loans to customers	86,599	103,840	(17,241)	-16.6%
- current accounts	32,502	47,220	(14,718)	-31.2%
- reverse repos	7,869	9,952	(2,083)	-20.9%
- mortgages	19,321	23,001	(3,680)	-16.0%
- credit cards	1,617	1,969	(352)	-17.9%
- personal loans	12,777	11,559	1,218	10.5%
- other loans and cash collaterals	12,513	10,139	2,374	23.4%

Interest income on loans to banks amounted to € 1.7 million and do not show significant variations compared to the first half of 2024.

Interest income on loans to customers amounted to € 86.6 million, decreasing by € 17.2 million compared to the first half of the previous year (-16.6%), attributable, mainly, to the lower interest accrued on the use of current account credit facilities due to the reduction in market rates.

Income Statement Figures

The following table provides a breakdown of interest expense by the financial liabilities/assets that gave rise to it.

(Amounts in € thousand)

Interest Expenses	1st Half		Changes	
	2025	2024	Amount	%
Financial liabilities at amortised cost – Due to banks	(11,071)	(20,826)	9,755	-46.8%
Financial liabilities at amortised cost – Due to customers	(25,963)	(29,430)	3,467	-11.8%
Debt securities in issue	(8,582)	(8,620)	38	-0.4%
Other liabilities	-	(1)	1	-100.0%
Financial assets	(502)	(534)	32	-6.0%
Total interest expenses	(46,118)	(59,411)	13,293	-22.4%
Net interest	315,840	361,498	(45,658)	-12.6%

Profits from Treasury management	(799)	1,759	(2,558)	-145.4%
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Financial margin	315,041	363,257	(48,216)	-13.3%
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Interest expenses on Debt Securities in issue refers to interest accrued on the Senior Preferred Bonds issued by FinecoBank.

Interest expenses on financial assets mainly refer to the negative interest recognised on certain securities owned.

With regard to **interest on financial liabilities at amortised cost**, the table below provides a breakdown by counterparty, banks and customers, and technical form:

(Amounts in € thousand)

Breakdown of interest expenses	1st Half		Changes	
	2025	2024	Amount	%
Interest expenses on due to banks	(11,071)	(20,826)	9,755	-46.8%
- correspondent current accounts	(61)	(107)	46	-43.0%
- demand deposits and cash collaterals	(7,762)	(17,861)	10,099	-56.5%
- other current accounts	(26)	(15)	(11)	73.3%
- reverse repos	(3,182)	(2,805)	(377)	13.4%
- lease liabilities	(40)	(38)	(2)	5.3%
Interest expenses on due to customers	(25,963)	(29,430)	3,467	-11.8%
- current accounts	(8,455)	(10,445)	1,990	-19.1%
- time deposits	(14,627)	(17,220)	2,593	-15.1%
- reverse repos	(2,115)	(1,019)	(1,096)	107.6%
- lease liabilities	(766)	(746)	(20)	2.7%

Interest expenses on due to banks amounted to € 11.1 million, down by € 9.8 compared to first half of 2024 mainly due to lower interest expenses recognised on cash collateral received for derivative transactions. The item "reverse repos" mainly includes interest relating to stock lending operations, the volumes of which increased during 2024.

Interest expenses on due to customers amounted to € 26.0 million, showing a decrease of € 3.5 million compared to the previous year, mainly due to lower interest recorded on current accounts and on Cash Park time deposits, partially offset by interest recorded on funding transactions carried out by Parent Company treasury during the first half of 2025 through repo transactions on the MTS Repo Market.

Income Statement Figures

Income from brokerage and other income

(Amounts in € thousand)

	1st Half		Changes	
	2025	2024	Amounts	%
Financial margin	315,041	363,257	(48,216)	-13.3%
Dividends and other income from equity investments	10	8	2	25.0%
Net commission	278,231	257,182	21,049	8.2%
Net trading, hedging and fair value income	52,151	37,708	14,443	38.3%
Net other expenses/income	(1,082)	148	(1,230)	n.a.
REVENUES	644,351	658,303	(13,952)	-2.1%

Dividends and other income from equity investments

Dividends and other income from equity investments include only the positive effect recognised in the income statement for the first half 2025 following the equity valuation of Vorvel Sim S.p.A., a company subject to significant influence.

Net commissions

(Amounts in € thousand)

Management reclassification	1st Half		Changes	
	2025	2024	Amount	%
Brokerage	68,279	61,831	6,448	10.4%
<i>of which:</i>				
- Equities	53,269	43,947	9,322	21.2%
- Bonds	9,352	10,593	(1,241)	-11.7%
- Derivatives	5,777	5,630	147	2.6%
- Other commissions	(119)	1,661	(1,780)	-107.2%
Investing	192,792	175,253	17,539	10.0%
<i>of which:</i>				
- Placement fees	4,867	3,241	1,626	50.2%
- Management fees	229,291	209,784	19,507	9.3%
- Other to PFA	(41,366)	(37,772)	(3,594)	9.5%
Banking	22,560	24,016	(1,456)	-6.1%
Others	(5,400)	(3,918)	(1,482)	37.8%
Total	278,231	257,182	21,049	8.2%

The table above shows net commissions broken down according to the three macro-areas of integrated activities into which the Group's offerings are divided, as described above. Specifically, Banking includes current account services, payment services and the issuance of debit, credit and prepaid cards, mortgages, overdrafts and personal loans; Brokerage, includes the service of executing orders on behalf of clients; Investing includes the asset management activity performed by Fineco AM, placement and distribution services for third-party financial products, including mutual funds, opened investment companies sub-funds, insurance and pension products, as well as investment advisory services.

Net commissions increased by € 21.0 million compared to the first half of previous year, mainly thanks to fees and commissions generated by the Investing segment (+€ 17.5 million), thanks to the increased contribution of Fineco AM and the growth in asset under management. During first half 2025, the subsidiary Fineco AM generated net commissions for € 86.9 million (€ 81.5 million in first half 2024). In addition, it should be noted the growth in net fee and commission income generated by the Brokerage (+ € 6.4 million), while net commissions related to Banking recorded a slight decrease (- € 1.5 million).

Income Statement Figures

Net trading, hedging and fair value income amounted to € 52.2 million and shows an increase of € 14.4 million compared to the same period of previous year. The item mainly includes profits realised by the Brokerage, which includes internalisation of securities and regulated/OTC derivatives, financial instruments used for managerial hedging of securities and internalised derivative contracts and the exchange differences on assets and liabilities denominated in currency. The item also includes the ineffectiveness component of hedging transactions, amounting to - € 0.7 million (- € 1.3 million in first half of 2024), determined by the application of different curves for the fair value measurement of hedging derivatives and hedged items in fair value hedge transactions. This result also includes the income components from financial instruments recognised under “Other financial assets mandatorily at fair value” (-€ 0.1 million in the first half 2025 and +€ 0.4 million in the first half 2024), which include the Visa INC Class “C” and “A” preferred shares.

Net other expenses/income is positive for € 1.1 million (+ € 0.1 million in the first half 2024).

Operating costs

(Amounts in € thousand)

	1st Half		Changes	
	2025	2024	Amount	%
Staff expenses	(73,783)	(67,023)	(6,760)	10.1%
Other administrative expenses	(196,904)	(178,214)	(18,690)	10.5%
Recovery of expenses	111,067	97,510	13,557	13.9%
Impairment/write-backs on intangible and tangible assets	(13,506)	(12,617)	(889)	7.0%
Total operating costs	(173,126)	(160,344)	(12,782)	8.0%

Operating costs increased by 8.0% compared to the first half of 2024.

Income Statement Figures

Staff expenses amounted to € 73.8 million, of which €13.4 million relating to staff expenses of the subsidiary Fineco AM, increasing by 10.1% compared to the first half of previous year, due to continuous growth of the operating structure. In fact, the number of employees rose from 1,419 resources as at June 30th, 2024 to 1,490 resources as at June 30th, 2025.

(Amounts in € thousand)

Staff expenses	1st Half		Changes	
	2025	2024	Amount	%
1) Employees	(72,457)	(65,709)	(6,748)	10.3%
- wages and salaries	(48,499)	(43,805)	(4,694)	10.7%
- social security contributions	(11,766)	(10,650)	(1,116)	10.5%
- provision for employee severance pay	(436)	(431)	(5)	1.2%
- allocation to employee severance pay provision	(82)	(83)	1	-1.2%
- payment to supplementary external pension funds:	(3,759)	(3,454)	(305)	8.8%
a) defined contribution	(3,759)	(3,454)	(305)	8.8%
- costs related to share-based payments*	(2,645)	(2,754)	109	-4.0%
- other employee benefits	(5,270)	(4,532)	(738)	16.3%
2) Directors and statutory auditors	(1,326)	(1,314)	(12)	0.9%
Total staff expenses	(73,783)	(67,023)	(6,760)	10.1%

Income Statement Figures

(Amounts in € thousand)

Other Administrative Expenses and Recovery of expenses	1st Half		Changes	
	2025	2024	Amount	%
1) INDIRECT TAXES AND DUTIES	(115,361)	(101,432)	(13,929)	13.7%
2) MISCELLANEOUS COSTS AND EXPENSES				
A) Advertising expenses - Marketing and communication	(21,160)	(20,039)	(1,121)	5.6%
Mass media communications	(16,042)	(13,714)	(2,328)	17.0%
Marketing and promotions	(3,744)	(3,989)	245	-6.1%
Sponsorships	(1,259)	(924)	(335)	36.3%
Conventions and internal communications	(115)	(1,412)	1,297	-91.9%
B) Expenses related to credit risk	(868)	(864)	(4)	0.5%
Credit recovery expenses	(164)	(209)	45	-21.5%
Commercial information and company searches	(704)	(655)	(49)	7.5%
C) Indirect expenses related to personnel and to personal financial advisors	(2,316)	(3,083)	767	-24.9%
Other staff expenses	(839)	(938)	99	-10.6%
Personal financial advisors expenses	(1,477)	(2,145)	668	-31.1%
D) ICT expenses	(33,143)	(30,464)	(2,679)	8.8%
Lease of ICT equipment and software	(945)	(952)	7	-0.7%
Software expenses: lease and maintenance	(9,168)	(7,980)	(1,188)	14.9%
ICT communication systems, messaging and phone expenses	(3,911)	(3,804)	(107)	2.8%
Consultancy and ICT services provided by third parties	(9,485)	(9,094)	(391)	4.3%
Financial information providers	(9,634)	(8,634)	(1,000)	11.6%
E) Consultancies and professional services	(2,804)	(2,896)	92	-3.2%
Consultancies and professional services	(2,314)	(2,167)	(147)	6.8%
Legal expenses and disputes	(101)	(410)	309	-75.4%
Auditing company expenses	(389)	(319)	(70)	21.9%
F) Furniture, machinery and equipment expenses and Real estate expenses	(2,915)	(2,738)	(177)	6.5%
Repair and maintenance of furniture, machinery, and equipment	(144)	(130)	(14)	10.8%
Maintenance and cleaning of premises	(824)	(831)	7	-0.8%
Premises rentals	(386)	(375)	(11)	2.9%
Utilities and condominium expenses	(1,561)	(1,402)	(159)	11.3%
G) Other functioning costs	(17,827)	(16,027)	(1,800)	11.2%
Postage and transport of documents	(1,945)	(1,878)	(67)	3.6%
Administrative, logistic and call center services	(10,141)	(8,853)	(1,288)	14.5%
Insurance	(2,561)	(2,174)	(387)	17.8%
Association dues and fees	(2,368)	(2,344)	(24)	1.0%
Other administrative expenses	(812)	(778)	(34)	4.4%
H) Adjustments of leasehold improvements	(510)	(671)	161	-24.0%
I) Recovery of costs	111,067	97,510	13,557	13.9%
Recovery of ancillary expenses	118	425	(307)	-72.2%
Recovery of taxes	110,949	97,085	13,864	14.3%
Total other administrative expenses and recovery of expenses	(85,837)	(80,704)	(5,133)	6.4%

Other administrative expenses net of **Recovery of expenses** came to € 85.8 million, with an increase of € 5.1 million compared to the first half of previous year. In particular, the following should be noted:

- "ICT expenses" increased by € 2.7 million, among which it is highlighted the increase in "Software expenses: lease and maintenance" for € 1.2 million and "Financial information providers" for € 1 million", functional to the Group's operations;
- "Advertising expenses - Marketing and communication", up by € 1.1 million due, in particular, to higher expenses for mass media communications, partially offset by lower expenses for conventions and internal communications;
- "Other operating expenses," up € 1.8 million, due, in particular, to higher expenses for administrative services related to payment card management and call center expenses.

Income Statement Figures

The item "Indirect taxes and duties", net of "Recoveries of taxes", shows no significant changes from the first half of the previous year.

Impairment/write-backs on intangible and tangible assets show an increase of € 0.9 million compared to the first half of the previous year.

Profit/(loss) before tax from continuing operations

(Amounts in € thousand)

	1st Half		Changes	
	2025	2024	Amount	%
OPERATING PROFIT (LOSS)	471,225	497,959	(26,734)	-5.4%
Net impairment on loans and provisions for guarantees and commitments	(2,573)	(1,689)	(884)	52.3%
NET OPERATING PROFIT (LOSS)	468,652	496,270	(27,618)	-5.6%
Other charges and provisions	(7,721)	(37,653)	29,932	-79.5%
Net income from investments	(1,013)	981	(1,994)	n.a.
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	459,918	459,598	320	0.1%

Net impairment of loans and provisions for guarantees and commitments in the first half 2025 amounted to € -2.6 million (€ -1.7 million in the first half 2024). Changes deriving from update in the macroeconomic scenario are not significant in first half of 2025 (+ € 0.9 million in first half of previous year).

Other charges and provisions amounted to € -7.7 million, down by € 29.9 million compared to the first half of the previous year. In the first half of 2025, this item primarily includes net provisions for risks and charges for complaints and disputes and net provisions for supplementary customer indemnities. In the first half of 2024, in addition to the aforementioned charges, the item also included the contribution to be paid to the Interbank Deposit Protection Fund under the Deposit Guarantee Scheme (DGS), amounting to €35.3 million. This is because, for the 2024 financial year only, participating banks were required to make the contribution by March 31, rather than September 30. In this regard, it should be noted that, with reference to the contribution to the Deposit Guarantee Scheme (DGS), contributions relating to the 2025 financial year, if required to maintain the target level, will be recognized, in accordance with IFRIC 21, in the third quarter of the financial year. With reference to the contribution to the Single Resolution Fund under Directive 2014/59/EU, nothing was detected as the Single Resolution Board communicated on its website that the target level of the Single Resolution Fund remains reached even at the end of 2024. Finally, with reference to the contribution to the Life Insurance Guarantee Fund, nothing was detected in the first half of 2025 pending approval and publication of the Statute.

Net income from investments stood at € -1.0 million (+€ 1.0 million in the first half of the previous year) and include impairment losses due to the change in the macroeconomic scenario for an amount of € 0.4 million (write-backs amounting to € 1.1 million in the first half of the previous year).

Profit (loss) before tax from continuing operations amounted to € 459.9 million (+ € 0.3 million), substantially unchanged compared to the same period of the previous year. The growth in net commissions and trading, hedging, and fair value income, along with lower systemic contributions, offset the reduction in financial margin, which was impacted by the reduction in market interest rates, and the increase in operating costs.

Income Statement Figures

Income tax for the period

(Amounts in € thousand)

Income tax for the period	1st Half		Changes	
	2025	2024	Amount	%
Current IRES income tax charges	(88,513)	(107,643)	19,130	-17.8%
Current IRAP corporate tax charges	(19,746)	(22,947)	3,201	-14.0%
Current foreign corporate tax charges	(10,970)	(10,625)	(345)	3.2%
Adjustment to current tax of prior years	-	2,791	(2,791)	-100.0%
Total current tax	(119,229)	(138,424)	19,195	-13.9%
Change in deferred tax assets	(22,413)	(462)	(21,951)	n.a.
Change in deferred tax liabilities	(440)	(392)	(48)	12.2%
Total deferred tax liabilities	(22,853)	(854)	(21,999)	n.a.
Income tax for the period	(142,082)	(139,278)	(2,804)	2.0%

Income tax for the period was calculated according to the legal provisions introduced by Legislative Decree no. 38 of February 28th, 2005, which incorporated the IAS/IFRS Accounting Standards into Italian legislation, of Decree no. 48 of April 1st, 2009 which introduced provisions for the implementation and coordination of tax requirements for IAS Adopter parties and subsequent provisions. In particular, in 2019 the decree issued by the Italian Ministry of the Economy and Finance on August 5th, 2019, of coordination between international accounting standards and business income.

Current taxes were determined applying an IRES income tax rate of 27.5% (24% ordinary rate and 3.5% additional rate for banks) and an IRAP tax rate of 5.57% in Italy. As regards Fineco AM, current income taxes were calculated at a rate of 12.5%, according to the currently applicable tax regime, as well as the 2.5% surcharge introduced in Ireland to comply with the provisions of EU Directive 2022/2523 so-called Pillar II.

The change in deferred tax assets is primarily attributable to the reversal to the income statement of the deferred tax asset relating to the so-called Patent Box tax benefit recognized in the financial statements for the period 2020-2024 following the reaching, at the beginning of 2025, of the renewal agreement with the Office for Preventive Agreements and International Disputes of the Revenue Agency regarding the methodology to be used for calculating the economic contribution of the intangible assets being applied for, which will have an impact on the reduction of the taxable income in the 2025 tax return. Current tax expense, in fact, recorded an opposite change.

Net profit (loss) for the period and Net profit (loss) attributable to the Group

Net profit (loss) for the period – which is the same as the net profit (loss) attributable to the Group as Fineco AM is 100% controlled by the Bank – amounted to € 317.8 million, showing a decrease of 0.8% compared to the first half of the previous year.

Consolidated Own funds and capital ratios

Consolidated Own funds and capital ratios

The Group's prudential requirements as at June 30th, 2025 were determined on the basis of the harmonized regulation for banks and investment firms contained in Directive 2013/36/EU (*Capital Requirements Directive*, c.d. CRD) and in Regulation (EU) 575/2013 (*Capital Requirements Regulation*, c.d. CRR) of June 26th, 2013 and subsequent Directives/Regulations amending their content, which transpose into the European Union the standards defined by the Basel Committee on Banking Supervision (Basel III framework), collected and implemented by the Bank of Italy through Circular No. 285 of December 17th, 2013 "Supervisory Provisions for Banks" and subsequent updates.

With reference to the amendments to the CRR and CRD, it should be noted that, in accordance with the principles and guidelines formalised by the Basel Committee, the European Commission promoted in 2021 a legislative proposal (i.e. CRR III/CRD VI package) to implement the latest standards set by the Basel III framework. The new banking package, which comprises Regulation (EU) 2024/1623 and Directive (EU) 2024/1619, implements the post-crisis regulatory reforms of the Basel Committee on Banking Supervision, considering the specific aspects of the EU banking sector, and has led to a profound revision of the prudential framework, which came into force on 1 January 2025 with the first supervisory report referring to 31 March 2025. The proposal aimed to strengthen the level of confidence in the capital ratios and in the soundness of the banking sector, also through measures aimed at containing the volatility of the results of the internal models used by the institutions, even contributing to the transition to climate neutrality. In addition, the new banking package includes further harmonization of supervisory powers and supervisory tools and increased transparency and proportionality of Pillar 3 disclosure requirements.

The final text was promulgated on 6 December 2023, following the completion of the negotiation process within the trilogue between the European Commission, the European Parliament and the European Council with the publication in the Official Journal of the European Union on 19 June 2024, of the Regulation (EU) 2024/1623 (CRR III) which made amendments to Regulation (EU) No. 575/2013 regarding disclosure requirements for credit risk, credit assessment adjustment risk, operational risk, market risk, and output floor and of the Directive (EU) 2024/1619 (CRD VI) which made amendments to Directive 2013/36/EU as regards supervisory powers, sanctions, third-country branches, and environmental, social and governance risks. In addition, the CRR III introduced new disclosure requirements on shadow banking, cryptocurrency activities and an extension of disclosure requirements on non-performing exposures and forbearance and ESG risks to all institutions, subject to the proportionality principle. This Regulation mandated the EBA to develop IT solutions, including templates and instructions, for disclosure requirements under banking regulations.

The Group has implemented the updated regulatory provisions through a dedicated project, developing procedural implementations necessary for the management of the new or modified requested information, defining methodological settings and consequently adapting the related internal regulations.

The new regulation has reshaped the calculation of capital requirements for all the main types of risk (credit risk, market risk, counterparty risk and operational risk), as well as the reporting templates, also introducing the concept of "output floor", common to all types of risk, which entails the application of a minimum threshold to the values of RWA that are calculated through the application of internal models, in order to limit the possible breach of the 72.5% of the RWA (fully loaded) calculated through the application of the standardised methodology.

Considering that the Group does not apply internal models and, therefore, the provisions regarding the output floor do not apply, with reference to the provisions concerning the definition of capital requirements for credit risk, the main changes have entailed the revision of the measurement criteria based on the standardised approach with significant changes:

- to the logic of assigning weighting factors to the exposures of the Real Estate portfolio;
- to the logic of assigning weighting factors to the exposures of the Retail portfolio, with the possibility of assigning specific weighting factors in the event of compliance with certain conditions;
- to the calculation of the values of the Credit Conversion Factor (CCF) for off-balance sheet exposures, in which all exposures that fall within the definition of "commitment" have been included;
- to the process of assigning weighting factors to exposures to institutions.

Furthermore, the volatility adjustments to be applied to collateral received as part of credit risk mitigation have been modified, counterparty risk has been impacted by changes to the calculation of derivatives and SFT exposures and a new framework for CVA risk has been introduced.

Regarding operational risks, until 31 December 2024 the Group used the standardized model to calculate the capital requirement. The new regulatory framework CRR III introduced a new common calculation method. This methodology provides for the determination of the requirement in accordance with an indicator that is based on the size of an entity's activity (Business Indicator Component), defined on the basis of accounting metrics, mainly using FinRep items (average of the last three years), weighted with regulatory coefficients by brackets.

Finally, with reference to the changes introduced in the regulatory framework for the calculation of capital requirements for market risk (Fundamental Review of Trading Book – FRTB), it should be noted that on 12 June 2025, the European Commission adopted a delegated act, currently under consideration by the European Parliament and the Council, postponing its application to 1 January 2027, after Commission Delegated Regulation (EU) 2024/2795 of 24 July 2024 had already postponed its application by one year to 1 January 2026.

As at June 30th, 2025 the Consolidated Own funds which amounted to € 1,862.0 million, consisted of Common Equity Tier 1 (CET 1) and Additional Tier 1 Capital; there were no elements of Tier 2 Capital. The interim profits included in Common Equity Tier 1 Capital at June 30th, 2025 were calculated considering foreseeable dividends totaling € 254.3 million and foreseeable charges of € 8.3 million, represented by the coupons, net of the related

Consolidated Own funds and capital ratios

taxes, accrued on the Additional Tier 1 financial instruments issued by FinecoBank, assuming that the conditions set out in Article 26(2) of EU Regulation 575/2013 (CRR) are met.

The increase in risk exposure (TREA) during the first half of 2025 is mainly due to the impact of the introduction of CRR III before mentioned and, in particular, to the introduction of the new calculation methodology for operational risk, which considers gross commission income (rather than net commissions under the standardized CRR II methodology), which is the main component of Fineco's Business Indicator.

On credit risk, the main impacts of CRR III on Fineco TREA are due to the new treatment of exposures secured by mortgages on immovable property, which led to a reduction in RWA, and to the change in the Credit Conversion Factor (CCF) of off-balance sheet exposures, mainly represented by undrawn credit lines which led to an increase in RWA.

In addition, during the first half of 2025, there was also an increase in risk exposure (TREA) mainly attributable to securities lending transactions with institutional counterparties.

As at June 30th, 2025, the Common Equity Tier 1 ratio stood at 23.46%, down from 25.91% as at December 31st, 2024 due to the aforementioned increases in TREA. The Tier 1 capital ratio and the total capital ratio stood at 32.07%.

It should be noted that, as of 9 July 2024, the CRR introduced a temporary treatment, applicable until 31 December 2025, aimed at mitigating the impact of unrealized gains and losses accumulated as of 31 December 2019, on exposures to central governments, regional governments or local authorities measured at fair value recognized in other comprehensive income. As at 30 June 2025, the Group has not made use of the option to apply this temporary treatment.

With reference to the capital requirements applicable to FinecoBank Group, it should be noted that, further to the Supervisory Review and Evaluation Process (SREP), the European Central Bank communicated on December 3rd, 2024 the following Pillar 2 Requirement (P2R) applicable to FinecoBank Group starting from January 1st, 2025, unchanged from those required for the year 2024: 2.00% in terms of Total Capital Ratio, of which 1.13% in terms of Common Equity Tier 1 ratio and 1.50% in terms of Tier 1 Ratio.

Please, find below a scheme of the FinecoBank Group capital requirements and buffers as at June 30th, 2025, which also provides evidence of the "Total SREP Capital Requirement" (TSCR) and the "Overall Capital Requirement" (OCR) related to the outcome of the SREP process held in 2024 and applicable for 2025 above mentioned:

Requirements	CET1	T1	TOTAL CAPITAL
A) Pillar 1 requirements	4.50%	6.00%	8.00%
B) Pillar 2 requirements	1.13%	1.50%	2.00%
C) TSCR (A+B)	5.63%	7.50%	10.00%
D) Combined Buffer requirement, of which:	3.05%	3.05%	3.05%
1. Capital Conservation Buffer (CCB)	2.50%	2.50%	2.50%
2. Institution-specific Countercyclical Capital Buffer (CCyB)	0.14%	0.14%	0.14%
3. systemic risk buffer for FinecoBank (SyRB)	0.41%	0.41%	0.41%
E) Overall Capital Requirement (C+D)	8.68%	10.55%	13.05%

As at June 30th, 2025, Group ratios are compliant with all the above requirements.

As at June 30th, 2025, the Leverage ratio stood at 5.20%, a level well above the applicable regulatory requirement of 3% and slightly down from 5.22% as at December, 31st, 2024, following the increase in overall exposure, mainly driven by balance sheet assets and securities lending transactions with institutional counterparties, partially offset by the increase in Tier 1 capital, due to the inclusion of profit for the period. The entry into force of CRR III on January 1, 2025, had a minimal impact on the ratio, which was attributable to the Credit Conversion Factors (CCFs) applied to off-balance sheet exposures, which include all exposures that fall within the definition of "commitment".

With reference to the Minimum Requirement of Own Funds and Eligible Liabilities (MREL), it should be noted that at the end of November 2024 FinecoBank received the updated decision on the determination of the MREL from the Single Resolution Board and the Bank of Italy, which replaces the previous decision communicated to the public in December 2023. As of the reporting date, November 2024, FinecoBank shall comply, on a consolidated basis, with an MREL TREA (Total Risk Exposure Amount) requirement equal to 19.01% – to which must be added the applicable Combined Buffer Requirement, which as of 30 June 2025 is equal to 3.05% – and MREL LRE (total leverage exposure) requirement confirmed at 5.25%. For the purpose of meeting the requirement and the calculation of other eligible liabilities issued by Fineco, there is no subordination requirement in the issuance of eligible MREL instruments (e.g. senior unsecured). As at June 30th, 2025, FinecoBank shows results above the requirements to be met (MREL TREA equal to 45.81% and MREL LRE equal to 7.43%).

Consolidated Own funds and capital ratios

For further details on the composition of own funds, changes during the period with reference to Risk-weighted Assets and Exposure for leverage purposes, please refer to the information contained in the document “Public disclosure of the FinecoBank Group - Pillar III as at 30 June 2025” published on the Company's website (<https://about.finecobank.com>).

Results of the parent and the subsidiary

The parent: FinecoBank S.p.A.

The key figures, the reclassified Balance sheet and Income statement of FinecoBank S.p.A. at individual level and a report on the results achieved are shown below.

Key figures

Operating structure

	Data as at		
	06/30/2025	12/31/2024	06/30/2024
No. Employees	1,399	1,368	1,340
No. Financial advisors	3,043	3,002	2,982
No. Financial centers ¹	434	438	429

(1) Number of operating financial centers: financial centers managed by the Bank and financial centers managed by financial advisors (Fineco Centers).

Main balance sheet figures

(Amounts in € thousand)

	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amounts	%
Loans to ordinary customers ⁽¹⁾	5,208,841	5,242,769	(33,928)	-0.6%
Total assets	35,263,058	34,616,797	646,261	1.9%
Direct deposits ⁽²⁾	30,012,790	29,668,225	344,565	1.2%
Indirect TFA ⁽³⁾	117,801,660	111,097,547	6,704,113	6.0%
Total Financial Assets (direct and indirect)	147,814,450	140,765,772	7,048,678	5.0%
Shareholders' equity	2,174,268	2,346,503	(172,235)	-7.3%

(1) Loans to ordinary customers refer solely to loans granted to customers (current account overdrafts, credit cards, personal loans, mortgages and unsecured loans);

(2) Direct deposits include overdrawn current accounts and Cash Park deposits;

(3) Indirect TFA consist of products placed online or through FinecoBank financial advisors.

Results of the parent and the subsidiary

The parent: FinecoBank S.p.A.

Balance Sheet indicators

	Data as at	
	06/30/2025	12/31/2024
Loans to ordinary customers/Total assets	14.77%	15.15%
Loans to banks/Total assets	1.10%	1.03%
Financial assets/Total assets	71.16%	67.68%
Direct sales/Total liabilities and Shareholders' equity	85.11%	85.71%
Shareholders' equity (including profit)/Total liabilities and Shareholders' equity	6.17%	6.78%
Loans to ordinary customers/Direct deposits	17.36%	17.67%

Credit quality	Data as at	
	06/30/2025	12/31/2024
Non-performing loans/Loans to ordinary customers	0.15%	0.08%
Bad loans/Loans to ordinary customers	0.02%	0.02%
Coverage ratio ¹ - Bad loans	93.47%	95.37%
Coverage ratio ¹ - Unlikely to pay	71.45%	72.37%
Coverage ratio ¹ - Impaired past-due exposures	33.78%	60.67%
Coverage ratio ¹ - Total Non-performing loans	74.52%	85.15%

(1) Calculated as the ratio between the amount of impairment losses and gross exposure.

Results of the parent and the subsidiary

The parent: FinecoBank S.p.A.

Reclassified Accounts

Balance sheet

(Amounts in € thousand)

ASSETS	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amounts	%
Cash and cash balances	1,562,529	1,933,381	(370,852)	-19.2%
Financial assets held for trading	46,224	28,539	17,685	62.0%
Loans to banks	388,900	355,522	33,378	9.4%
Loans to customers	6,144,511	6,208,047	(63,536)	-1.0%
Financial investments	25,093,129	23,426,909	1,666,220	7.1%
Hedging instruments	453,127	527,272	(74,145)	-14.1%
Property, plant and equipment	143,123	145,013	(1,890)	-1.3%
Goodwill	89,602	89,602	-	n.a.
Other intangible assets	34,579	35,242	(663)	-1.9%
Tax assets	29,918	52,879	(22,961)	-43.4%
Tax credits acquired	847,707	1,259,059	(411,352)	-32.7%
Other assets	429,709	555,332	(125,623)	-22.6%
Total assets	35,263,058	34,616,797	646,261	1.9%

(Amounts in € thousand)

LIABILITIES AND SHAREHOLDERS' EQUITY	Amounts as at		Changes	
	06/30/2025	12/31/2024	Amounts	%
Due to banks	859,635	850,600	9,035	1.1%
Due to customers	30,668,981	29,976,099	692,882	2.3%
Debt securities in issue	804,934	810,228	(5,294)	-0.7%
Financial liabilities held for trading	26,464	8,130	18,334	225.5%
Hedging instruments	43,642	45,321	(1,679)	-3.7%
Tax liabilities	6,818	15,159	(8,341)	-55.0%
Other liabilities	678,316	564,757	113,559	20.1%
Shareholders' equity	2,174,268	2,346,503	(172,235)	-7.3%
- capital and reserves	1,901,632	1,716,786	184,846	10.8%
- revaluation reserves	(17,988)	(19,049)	1,061	-5.6%
- net profit	290,624	648,766	(358,142)	-55.2%
Total liabilities and Shareholders' equity	35,263,058	34,616,797	646,261	1.9%

Results of the parent and the subsidiary

The parent: FinecoBank S.p.A.

Balance sheet - Quarterly data

(Amounts in € thousand)

ASSETS	Amounts as at				
	06/30/2025	03/31/2025	12/31/2024	09/30/2024	06/30/2024
Cash and cash balances	1,562,529	1,741,789	1,933,381	2,817,944	2,804,953
Financial assets held for trading	46,224	39,245	28,539	21,365	21,214
Loans to banks	388,900	363,017	355,522	368,932	347,998
Loans to customers	6,144,511	6,105,284	6,208,047	6,028,870	6,095,558
Financial investments	25,093,129	23,696,267	23,426,909	21,511,250	20,731,329
Hedging instruments	453,127	509,769	527,272	562,503	737,713
Property, plant and equipment	143,123	143,592	145,013	140,236	141,320
Goodwill	89,602	89,602	89,602	89,602	89,602
Other intangible assets	34,579	35,056	35,242	33,306	33,515
Tax assets	29,918	32,030	52,879	49,189	49,192
Tax credits acquired	847,707	1,170,502	1,259,059	1,317,226	1,298,821
Other assets	429,709	384,997	555,332	347,160	341,207
Total assets	35,263,058	34,311,150	34,616,797	33,287,583	32,692,422

(Amounts in € thousand)

LIABILITIES AND SHAREHOLDERS' EQUITY	Amounts as at				
	06/30/2025	03/31/2025	12/31/2024	09/30/2024	06/30/2024
Due to banks	859,635	892,762	850,600	925,420	1,171,776
Due to customers	30,668,981	29,518,027	29,976,099	28,566,267	27,992,745
Debt securities in issue	804,934	800,619	810,228	808,368	804,009
Financial liabilities held for trading	26,464	19,656	8,130	14,599	9,722
Hedging instruments	43,642	30,225	45,321	38,733	(1,366)
Tax liabilities	6,818	55,546	15,159	93,984	31,647
Other liabilities	678,316	526,238	564,757	563,364	535,365
Shareholders' equity	2,174,268	2,468,077	2,346,503	2,276,848	2,148,524
- capital and reserves	1,901,632	2,352,493	1,716,786	1,849,770	1,861,667
- revaluation reserves	(17,988)	(16,716)	(19,049)	(5,112)	(6,616)
- net profit	290,624	132,300	648,766	432,190	293,473
Total liabilities and Shareholders' equity	35,263,058	34,311,150	34,616,797	33,287,583	32,692,422

Cash and cash balances, equal to € 1,562.5 million and decreasing by € 370.9 million from December 31st, 2024 (€ 1,933.4 million), as a result of FinecoBank's decision, in line with the changing market scenario, to invest part of the liquidity, previously employed in overnight deposits at the Bank of Italy, in bonds issued by supranational and government counterparties in the Eurozone. The item mainly consisted of the overnight deposit opened at the Bank of Italy, for a total amount of € 1,277 million, the liquidity deposited to the Bank of Italy net of the stock related to the minimum reserve requirement allocated for the current reporting period, which is represented in the item Loans to banks, for € 1.4 million, as well as liquidity deposited on current accounts with credit institutions mainly for the settlement of payment transactions, for the settlement of securities and derivatives contracts transactions, in the amount of € 284 million.

Loans to banks, came to € 388.9 million, showing an increase of € 33.4 million to 31 December 2024, mainly due to the increase in variation margins and the deposit for mandatory reserves.

Loans to customers amounted to € 6,144.5 million, showing a decrease of € 63.5 million compared to December 31st, 2024 as regard loans to ordinary customers, the reduction of € 33.9 million is primarily attributable to the decrease in mortgage receivables (-€ 92.9 million) and credit card

Results of the parent and the subsidiary

The parent: FinecoBank S.p.A.

uses (-€ 31.6 million), partially offset by increased of current account overdrafts (+€ 86.2 million). Furthermore, there was a reduction in repurchase agreements (-€ 27 million), which primarily include securities lending transactions secured by cash, and in guaranteed deposits, initial margins, and variation margins (-€ 36.6 million), partially offset by loans granted to Cronos Vita Assicurazioni S.p.A. during the first half of 2025 (+€ 27.4 million). Impaired loans net of impairment provisions totalled € 7.7 million (€4.1 million as at December 31st, 2024), with a coverage ratio of 74.5%; the ratio of the amount of impaired loans to the amount of loans to ordinary customers was 0.15% (0.08% as at 31 December 2024).

Financial investments came to € 25,093.1 million, up € 1,666.2 million compared to December 31st, 2024, mainly due to purchases of debt securities at amortised cost in the first half of 2025. It should be noted that this item includes the net negative valuation of fixed-rate securities micro hedged against interest rate risk, in the amount of € 408.5 million (€ 459.7 million at December 31st, 2024).

Hedges recognised as assets in the balance sheet amounted to € 453.1 million and include the positive fair value valuation of hedging derivatives and the value adjustment of assets subject to micro hedging, represented by fixed-rate mortgages. **Hedges recognised as liabilities** in the balance sheet amounted to € 43.6 million and include the negative fair value measurement of hedging derivatives and the value adjustment of liabilities subject to micro hedging, represented by direct deposits from customers. The negative change in hedging derivative contracts recognised in the first half of 2025 is mainly attributable to the reduction in fair value of existing contracts. The valuation of the hedged items, as a result, evolved in the opposite direction, recording a positive change, that with regard to securities subject to micro hedging is shown in Financial investments item, as described above.

Tax credits acquired amounting to € 847.7 million, include the carrying amount of tax credits purchased under Decree-Law 34/2020 and subsequent updates, down from € 1,259.1 million outstanding as at December 31st, 2024 as a result of the offsets during the period.

Due to banks were equal to € 859.6 million and highlighted an increase of € 9.0 million compared to December 31st, 2024. While repurchase agreements, which include securities lending transactions guaranteed by sums of money fully available to the lender, increased by €85.2 million, there was a €74.5 million decrease in variation margins received for derivatives transactions and securities lending transactions.

Due to customers came to € 30,669.0 million, increasing by € 692.9 million compared to December 31st, 2024, mainly due to the increase in direct deposits (+€344.6 million) and repurchase agreements (+€ 289.5 million), which include securities lending transactions guaranteed by sums of money that are fully available to the lender (+€ 81.8 million) and funding transactions carried out by the Parent Company's treasury through repurchase agreements on the MTS Repo market (+€ 207.7 million).

Debt securities in issue, equal to € 804.9 million, exclusively include Senior Preferred Bonds issued by FinecoBank. No new securities were issued during the first half of 2025.

Shareholders' equity amounted to € 2,174.3 million, decreasing by € 172.2 million compared to December 31st, 2024. During the first half of 2025, Shareholders' equity increased, mainly due to the profit for the period, equal to € 290.6 million, and decreased mainly due to the distribution of dividends resolved by the Shareholders' Meeting of April 29th, 2025 (totalling € 452.6 million) and to the payment of coupon of Additional Tier1 instrument issued by FinecoBank, the amount of which, net of the related taxes, resulted in a reduction in Shareholders' equity of € 13.6 million.

Results of the parent and the subsidiary

The parent: FinecoBank S.p.A.

Income Statement

(Amounts in € thousand)

	1st half		Changes	
	2025	2024	Amounts	%
Financial margin	314,678	362,672	(47,994)	-13.2%
of which Net interest	315,477	360,913	(45,436)	-12.6%
of which Profits from Treasury	(799)	1,759	(2,558)	n.a.
Dividends and other income from equity investments	35,215	32,641	2,574	7.9%
Net commission	191,288	175,694	15,594	8.9%
Net trading, hedging and fair value income	52,106	37,697	14,409	38.2%
Net other expenses/income	(64)	819	(883)	n.a.
REVENUES	593,223	609,523	(16,300)	-2.7%
Staff expenses	(65,935)	(60,455)	(5,480)	9.1%
Other administrative expenses	(192,101)	(173,712)	(18,389)	10.6%
Recovery of expenses	111,067	97,510	13,557	13.9%
Impairment/write-backs on intangible and tangible assets	(13,224)	(12,338)	(886)	7.2%
Operating costs	(160,193)	(148,995)	(11,198)	7.5%
OPERATING PROFIT (LOSS)	433,030	460,528	(27,498)	-6.0%
Net impairment on loans and provisions for guarantees and commitments	(2,573)	(1,703)	(870)	51.1%
NET OPERATING PROFIT (LOSS)	430,457	458,825	(28,368)	-6.2%
Other charges and provisions	(7,721)	(37,653)	29,932	-79.5%
Net income from investments	(1,013)	981	(1,994)	n.a.
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	421,723	422,153	(430)	-0.1%
Income tax for the period	(131,099)	(128,680)	(2,419)	1.9%
NET PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	290,624	293,473	(2,849)	-1.0%
NET PROFIT (LOSS) FOR THE PERIOD	290,624	293,473	(2,849)	-1.0%

Results of the parent and the subsidiary

The parent: FinecoBank S.p.A.

Income Statement - Quarterly data

(Amounts in € thousand)

	2025	
	1st Quarter	2nd Quarter
Financial margin	161,155	153,523
of which Net interest	161,054	154,423
of which Profits from Treasury	101	(900)
Dividends and other income from equity investments	(24)	35,239
Net commission	96,443	94,845
Net trading, hedging and fair value income	27,346	24,760
Net other expenses/income	679	(743)
REVENUES	285,599	307,624
Staff expenses	(32,724)	(33,211)
Other administrative expenses	(96,138)	(95,963)
Recovery of expenses	54,109	56,958
Impairment/write-backs on intangible and tangible assets	(6,364)	(6,860)
Operating costs	(81,117)	(79,076)
OPERATING PROFIT (LOSS)	204,482	228,548
Net impairment on loans and provisions for guarantees and commitments	(871)	(1,702)
NET OPERATING PROFIT (LOSS)	203,611	226,846
Other charges and provisions	(3,806)	(3,915)
Net income from investments	(961)	(52)
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	198,844	222,879
Income tax for the period	(66,544)	(64,555)
NET PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	132,300	158,324
NET PROFIT (LOSS) FOR THE PERIOD	132,300	158,324

Results of the parent and the subsidiary

The parent: FinecoBank S.p.A.

(Amounts in € thousand)

	2024			
	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Financial margin	180,527	182,145	177,094	169,818
of which Net interest	178,768	182,145	178,053	169,910
of which Profits from Treasury	1,759	-	(959)	(92)
Dividends and other income from equity investments	(7)	32,648	1	89,500
Net commission	88,244	87,450	87,789	92,058
Net trading, hedging and fair value income	17,451	20,246	18,317	22,946
Net other expenses/income	516	303	287	397
REVENUES	286,731	322,792	283,488	374,719
Staff expenses	(29,912)	(30,543)	(31,526)	(32,500)
Other administrative expenses	(85,137)	(88,575)	(87,709)	(99,517)
Recovery of expenses	47,818	49,692	52,529	51,619
Impairment/write-backs on intangible and tangible assets	(6,263)	(6,075)	(6,298)	(6,596)
Operating costs	(73,494)	(75,501)	(73,004)	(86,994)
OPERATING PROFIT (LOSS)	213,237	247,291	210,484	287,725
Net impairment on loans and provisions for guarantees and commitments	(272)	(1,431)	(985)	584
NET OPERATING PROFIT (LOSS)	212,965	245,860	209,499	288,309
Other charges and provisions	(38,110)	457	(3,539)	(3,681)
Net income from investments	399	582	817	(30)
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	175,254	246,899	206,777	284,598
Income tax for the period	(57,576)	(71,104)	(68,060)	(68,022)
NET PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	117,678	175,795	138,717	216,576
NET PROFIT (LOSS) FOR THE PERIOD	117,678	175,795	138,717	216,576

Revenues amounted to € 593.2 million, registering a 2.7% decrease compared to € 609.5 million recorded in the same period of the previous year. The decrease in the financial margin, which was affected by the reduction in market interest rates, was largely offset by the growth in Net commission and in Net trading, hedging and fair value income.

Financial margin amounted to € 314.7 million, down by 13.2% compared to the first half of the previous year (-€ 48.0 million), attributable to the **Net interest** that decreased by 12.6% compared to the first half of the previous year (€ -45.4 million). **Profits from Treasury** decreased by € 2.6 million compared to the first half of the previous year.

Dividends and other income from equity investments mainly include dividends received from Fineco AM, amounting to € 35.2 million (€ 32.6 million in the first half of the previous year) and show an increase of 7.9%.

Net commission amounted to € 191.3 million and show an increase by € 15.6 million compared to the same period of the previous year, mainly thanks to the growth recorded by Investing (+€ 12.1 million) and by Brokerage (+€ 6.5 million).

Net trading, hedging and fair value income amounted to € 52.1 million and highlighted an increase for € 14.4 million compared to the same period of the previous year. The item mainly includes profits realised by the Brokerage, which includes internalisation of securities and regulated/OTC derivatives, financial instruments used for managerial hedging of securities and internalised derivatives and the exchange differences on assets and liabilities denominated in currency. The item also includes the ineffectiveness component of hedging transactions, amounting to -€ 0.7 million (-€ 1.3 million in the first half of 2024), determined by the application of different curves for the fair value valuation of derivative contracts hedging and hedged items as a part of fair value hedge transactions.

Operating costs increased by € 11.2 million compared to the first half of previous year (+€ 5.5 million for "Staff expenses", +€ 4.8 million for "Other administrative expenses net of Recovery of expenses" and +€ 0.9 million for "Impairment/write-backs on intangible and tangible assets"). Cost/income ratio which stood at 27.00% (24.44% at June 30th, 2024).

Results of the parent and the subsidiary

The parent: FinecoBank S.p.A.

Net impairment of loans and provisions for guarantees and commitments in the first half of 2025 amounted to € -2.6 million (€ -1.7 million in the first half 2024). The changes determined by the update of the macroeconomic scenario are not significant in the first half of 2025 (+ € 0.9 million in first half of previous year). The cost of risk was 6 basis points.

Other charges and provisions amounted to € -7.7 million, down € 29.9 million compared to the first half of the previous year. In the first half of 2025, this item primarily includes net provisions for risks and charges for complaints and disputes and net provisions for supplementary customer indemnities. In the first half of 2024, in addition to the aforementioned charges, the item also included the contribution to be paid to the Interbank Deposit Protection Fund under the Deposit Guarantee Scheme (DGS), amounting to €35.3 million. This is because, for the 2024 financial year only, participating banks were required to make the contribution by March 31, rather than September 30. In this regard, it should be noted that, with reference to the contribution to the Deposit Guarantee Scheme (DGS), contributions relating to the 2025 financial year, if required to maintain the target level, will be recognized, in accordance with IFRIC 21, in the third quarter of the financial year. With reference to the contribution to the Single Resolution Fund under Directive 2014/59/EU, nothing was detected as the Single Resolution Board announced on its website that the target level of the Single Resolution Fund remains reached even at the end of 2024. Finally, with reference to the contribution to the Life Insurance Guarantee Fund, nothing was detected in the first half of 2025 pending approval and publication of the Statute.

Net income from investments stood at € -1.0 million (€ 1.0 million in the first half of the previous year) and include impairment losses of €0.4 million attributable to changes in the macroeconomic environment (reversals of €1.1 million in the first half of the previous year).

Profit (loss) before tax from continuing operations amounted to € 421.7 million (€ -0.4 million), essentially unchanged compared to the same period of the previous year. The growth in Net commissions and Net trading, hedging and fair value income, as well as lower systemic contributions, offset the reduction in Financial margin, which was impacted by the reduction in market interest rates, and the increase in Operating costs.

Net Profit (loss) for the period amounted to € 290.6 million, slightly down compared to € 293.5 million of the first half 2024.

Results of the parent and the subsidiary

The parent: FinecoBank S.p.A.

Own funds and capital ratios

	Data as at	
	06/30/2025	12/31/2024
Common Equity Tier 1 Capital (€ thousand)	1,292,005	1,269,107
Total Own Funds (€ thousand)	1,792,005	1,769,107
Total risk-weighted assets (€ thousand)	5,591,430	4,983,378
Ratio - Common Equity Tier 1 Capital	23.11%	25.47%
Ratio - Tier 1 Capital	32.05%	35.50%
Ratio - Total Own Funds	32.05%	35.50%

	Data as at	
	06/30/2025	12/31/2024
Tier 1 Capital (€ thousand)	1,792,005	1,769,107
Exposure for leverage (€ thousand)	35,687,525	34,646,353
Leverage ratio	5.02%	5.11%

The Bank's prudential requirements as at June 30th, 2025 were determined on the basis of the harmonized regulation for banks and investment firms contained in Directive 2013/36/EU (CRD IV) and in Regulation (EU) 575/2013 (CRR) of June 26th, 2013 and subsequent Directives/Regulations amending their content, which transpose into the European Union the standards defined by the Basel Committee on Banking Supervision (Basel III framework), collected and implemented by the Bank of Italy through Circular No. 285 of December 17th, 2013 "Supervisory Provisions for Banks" and subsequent updates.

As previously described, with the publication in the Official Journal of the European Union on 19 June 2024 of CRR III, important amendments were introduced to Regulation (EU) No. 575/2013 with regard to the disclosure requirements on credit risk, credit valuation adjustment risk, operational risk, market risk and output floor. In addition, the CRR III introduced new disclosure requirements on shadow banking, cryptocurrency activities and an extension of disclosure requirements on non-performing exposures and forbearance and ESG risks to all institutions, subject to the proportionality principle. This Regulation mandated the EBA (European Banking Authority) to develop IT solutions, including templates and instructions, for disclosure requirements under banking regulations.

The Bank has implemented the updated regulatory provisions through a dedicated project, developing procedural implementations necessary for the management of the new or modified requested information, defining methodological settings and consequently adapting the related internal regulations.

The new regulation has reshaped the calculation of capital requirements for all the main types of risk (credit risk, market risk, counterparty risk and operational risk), as well as the reporting templates, also introducing the concept of "output floor", common to all types of risk, which entails the application of a minimum threshold to the values of RWA that are calculated through the application of internal models, in order to limit the possible breach of the 72.5% of the RWA (fully loaded) calculated through the application of the standardised methodology.

Considering that the Bank does not apply internal models and, therefore, the provisions regarding the output floor do not apply, with reference to the provisions concerning the definition of capital requirements for credit risk, the main changes have entailed the revision of the measurement criteria based on the standardised approach with significant changes:

- to the logic of assigning weighting factors to the exposures of the Real Estate portfolio;
- to the logic of assigning weighting factors to the exposures of the Retail portfolio, with the possibility of assigning specific weighting factors in the event of compliance with certain conditions;
- to the calculation of the values of the Credit Conversion Factor (CCF) for off-balance sheet exposures, in which all exposures that fall within the definition of "commitment" have been included;
- to the process of assigning weighting factors to exposures to institutions.

Furthermore, the volatility adjustments to be applied to collateral received as part of credit risk mitigation have been modified, counterparty risk has been impacted by changes to the calculation of derivatives and SFT exposures and a new framework for CVA risk has been introduced.

Regarding operational risks, until 31 December 2024 the Bank used the standardized model to calculate the capital requirement. The new regulatory framework CRR III introduced a new common calculation method. This methodology provides for the determination of the requirement in accordance

Results of the parent and the subsidiary

The parent: FinecoBank S.p.A.

with an indicator that is based on the size of an entity's activity (Business Indicator Component), defined on the basis of accounting metrics, mainly using FinRep items (average of the last three years), weighted with regulatory coefficients by brackets.

Finally, with reference to the changes introduced in the regulatory framework for the calculation of capital requirements for market risk (Fundamental Review of Trading Book – FRTB), it should be noted that on 12 June 2025, the European Commission adopted a delegated act, currently under consideration by the European Parliament and the Council, postponing its application to 1 January 2027, after Commission Delegated Regulation (EU) 2024/2795 of 24 July 2024 had already postponed its application by one year to 1 January 2026.

As at June 30th, 2025 the Own funds of the Bank amounted to € 1,792 million, consisted of Common Equity Tier 1 (CET 1) and Additional Tier 1 Capital; there were no elements of Tier 2 Capital. The interim profits included in Common Equity Tier 1 Capital at June 30th, 2025 were calculated considering foreseeable dividends in the amount of € 254.3 million and foreseeable charges in the amount of € 8 million represented by accrued coupons, net of the relevant taxes, accrued on Additional Tier 1 financial instruments issued by FinecoBank, assuming that the conditions set forth in Article 26(2) of EU Regulation 575/2013 (CRR) are met.

The increase in risk-weighted assets during the first half of 2025 is mainly due to the impact of the introduction of CRR III mentioned above and, in particular, the introduction of the new calculation methodology for operational risk, which considers gross fee income (rather than net fee income under the standardised CRR II methodology), which represents the main component of FinecoBank's Business Indicator.

On credit risk, the main impacts of CRR III on Fineco TREA are due to the new treatment of exposures secured by mortgages on immovable property, which led to a reduction in RWA, and to the change in the Credit Conversion Factor (CCF) of off-balance sheet exposures, mainly represented by undrawn credit lines which led to an increase in RWA.

Furthermore, during the first half of 2025, there was an increase in TREA (Total Risk Exposure Amount) mainly attributable to securities lending transactions with institutional counterparties.

As at June 30th, 2025, the Common Equity Tier 1 ratio stood at 23.11%, down from 25.47% as at December 31st, 2024, as a result of the aforementioned increases in risk-weighted assets. Tier 1 and the Total Capital ratios stand at 32.05%.

Please note that, starting July 9, 2024, CRR III introduced a temporary treatment, applicable until December 31, 2025, aimed at mitigating the impact of unrealized gains and losses accumulated since December 31, 2019, on exposures to central governments, regional governments, or local authorities measured at fair value through other comprehensive income. As of June 30, 2025, the Bank had not exercised the option to apply this temporary treatment.

As at June 30th, 2025, the Leverage ratio stood at 5.02%, a level well above the applicable regulatory requirement of 3% and slightly down from 5.11% as at December 31st, 2024, following the increase in overall exposure, mainly determined by balance sheet assets and securities lending transactions with institutional counterparties, partially offset by the increase in Tier 1 capital, due to the inclusion of profit for the period.

The entry into force of CRR III on 1 January 2025 had a minimal impact on the indicator attributable to Credit Conversion Factors (CCFs) applied to off-balance sheet exposures, which included all exposures falling within the definition of "commitment".

Results of the parent and the subsidiary

The subsidiary: Fineco Asset Management DAC

Fineco AM, a wholly owned subsidiary of FinecoBank, is a UCITS Management Company, established in the Republic of Ireland, whose objective is to offer its customers a range of UCITS product with a strategy focused on the definition of strategic asset allocation and selection of the best international managers, and therefore, diversify and improve the offer of asset management products and further increase the competitiveness of the Group within its vertically integrated business model. It should be noted that on 2 September 2024, Fineco AM received authorisation from the Central Bank of Ireland to operate as an alternative investment fund manager able to provide the MiFID services of individual portfolio management and investment advice.

As at June 30th, 2025, Fineco AM has total assets of balance sheet amounting to € 117.2 million. This consists of **Loans to banks**, represented by time deposits for an amount of € 30.2 million, by **Cash and Cash balances** for € 41.4 million deposited with credit institutions, and by **Loans to customers**, exclusively represented operating receivables associated with the provision of services, for an amount of € 41.9 million.

Fineco AM also holds shares in its UCITS Funds for an amount of €1.7 million, which are recorded under “**Financial assets at fair value through profit or loss c) other financial assets mandatorily at fair value**”.

Due to banks and **Due to customers**, totalling € 29.3 million, are mainly represented by operating payables connected with the provision of financial services, relating to the placement and management fees of UCITS to be paid back to the placers, including FinecoBank for € 17.4 million, and to investment advisors. It should be noted that the item **Due to customers** also includes the “Lease liabilities”, amounting to € 0.7 million representing the financial debt corresponding to the present value of the payments due in the lease agreements stipulated with parties other than credit institutions not paid at the reporting date, as required by IFRS 16.

Shareholders' equity amounted to € 73.0 million and consists of share capital for € 3 million, of retained earnings for € 7.6 million and **Net Profit (loss) for the period** for € 62.4 million.

In the first half of 2025 Fineco AM generated **Net commissions** for € 86.9 million (€ 207.4 million in commission income, € 120.4 million in commission expenses) and **Net Profit (loss) for the period** for € 62.4 million.

Related-party Transactions

At its meeting of September 17th, 2024 and with the prior favourable opinion of the Risk and Related Parties Committee and the Board of Statutory Auditors, the Board of Directors, to ensure continued compliance with applicable legal and regulatory provisions on the corporate disclosure of transactions with related parties and persons in conflict of interest, approved the new version of the Global Policy "Procedure for the management of transactions with persons in potential conflict of interest of the FinecoBank Group" (the "Global Policy").

The Global Policy contains the provisions to observe when managing:

- related party transactions pursuant to Consob Regulation no. 17221 of March 12th, 2010 (as amended);
- transactions with associated persons pursuant to the regulations on "Risk activities and conflicts of interest with associated persons" laid down by Bank of Italy Circular no. 263 of December 27th, 2006 (Title V, Chapter 5: "New regulations for the prudential supervision of banks", as amended);
- obligations of bank officers pursuant to Article 136 of Legislative Decree 385 of September 1st, 1993 (the Consolidated Banking Act);
- transactions with other relevant persons in potential conflict of interest as defined by the Bank on a self-regulatory basis, taking into account the applicable legal and regulatory provisions;
- loans granted to Directors (i.e. members of the administrative, management and control bodies) and their related parties, pursuant to art. 88 of the CRD.

Considering the above, during the first half 2025 the Group conducted less material transactions with related parties in Italy and abroad in the course of ordinary business and associated financial activities, carried out under standard conditions, hence under the terms normally applied to transactions with unrelated parties; no other transactions were undertaken with related parties that could significantly affect the Bank's and the Group's asset situation and results, nor any atypical and/or unusual transactions were conducted, including of an intercompany or related party nature. For more details on transactions with related parties, please refer to Part H – Related-party transactions in the notes to the accounts.

Transactions with Group companies

FinecoBank is Parent Company of Banking Group FinecoBank.

The following table provides a summary of outstanding assets, liabilities, guarantees and commitments as at June 30th, 2025 as well as the costs (-) and revenues (+) recorded in the first half 2025 with Fineco AM, which is the sole wholly-owned and consolidated company.

	Assets	Liabilities	Guarantees and commitments	Revenues (+)	Costs (-)
Fineco Asset Management DAC	18,043	32	-	139,420	(32)

(Amounts in € thousands)

It should be noted that the assets shown in the table mainly refer to current receivables associated with the provision of financial services to be collected by the subsidiary Fineco AM and recorded in "Financial assets at amortized cost" and Revenues includes placement and management fee income paid back by the subsidiary and accounted for by the Bank during the first half 2025, in addition to the dividends recognized by Fineco AM for a total of € 35.2 million.

Related-party Transactions

Transactions with companies subject to significant influence

The following table provides a summary of outstanding assets, liabilities, guarantees and commitments as at June 30th, 2025 as well as the costs (-) and revenues (+) recorded in the first half 2025 with respect to Vorvel SIM S.p.A., the only investment subject to influence and consolidated using the equity method.

	Assets	Liabilities	Guarantees and commitments	Revenues (+)	Costs (-)
Vorvel SIM S.p.A.	28	497	-	-	(962)

(Amounts in € thousands)

The income statement and balance sheet transactions presented above are mainly originate from the agreement entered into by the Bank with Vorvel Sim S.p.A. for the trading, on the Vorvel segment, of Certificates issued by Fineco.

Subsequent events and outlook

Subsequent events

No significant events occurred after the end of the period that would require adjustments to the results presented in the condensed consolidated interim financial statements at June 30th, 2025.

Outlook

The outlook, despite a complex context, sees the Group capitalizing on the structural trends transforming Italian society: digitalization and the demand for advisory services. Indeed, we are witnessing an acceleration toward solutions that will lead to a more modern and digitalized world: customer management of banking services will increasingly focus on the use of digital platforms, supporting the Group's business model, which has always been oriented in this direction. Furthermore, customers are increasingly demanding transparent investments with the support of an advisor, while also having easy access to the new tools emerging in the financial world.

The growing demand for efficient and convenient solutions has confirmed the effectiveness of Fineco's business model in addressing the need for better asset management: a genuine push toward managed savings driven both by the economic landscape and, above all, by a growing awareness among savers over the years, which has led us to increasingly become the leading player in Italy for high-end customers.

The new environment, characterized by significant changes, represents a stimulus for Fineco to grow in all areas: from Banking, which benefits from the acceleration of new customer acquisition, to Investing, with the contribution of Fineco AM, to Brokerage, whose business is continuously growing thanks to the ability to offer innovative and fair-pricing products and solutions.

Furthermore, the ability to integrate all services, including artificial intelligence engines, into a single technologically advanced platform enables the Group's healthy and balanced development, confirming an increase in both growth investments and future dividends, combined with an ongoing commitment to sustainability.

The Group will continue to pursue its strategy, based primarily on organic, capital-light, and low-risk growth. The objective is to further strengthen its competitive position in the integrated banking, brokerage, and investing sector, leveraging the quality of its services and process efficiency. This is achieved through the high-quality and comprehensive financial services offered, summarized in the "one-stop solution" concept. This is also supported by the asset management activities performed by Fineco AM, which will allow the Bank to be even closer to its customers' needs and more efficient in product selection. The effectiveness of a diversified and sustainable business model, capable of consistently producing solid results across all market phases, is confirmed.

FinecoBank holds a market share of Total Financial Assets ("TFA") of 2.33% as of December 31, 2024 (latest available data), with attractive potential growth margins.

Considering the typical risks of the sector, a positive operating performance is expected in the second half of 2025, barring the occurrence of exceptional events or events dependent on variables substantially beyond the control of the Directors and Management.

Consolidated interim financial statements

Consolidated balance sheet

(Amounts in € thousand)

Assets	06/30/2025	12/31/2024
10. Cash and cash balances	1,603,940	1,962,876
20. Financial assets at fair value through profit and loss	51,951	34,159
a) financial assets held for trading	46,224	28,539
c) other financial assets mandatorily at fair value	5,727	5,620
30. Financial assets at fair value through other comprehensive income	300,748	296,410
40. Financial assets at amortised cost	31,371,821	29,728,119
a) receivables to banks	2,702,739	2,508,514
b) receivables to customers	28,669,082	27,219,605
50. Hedging derivatives	610,194	677,547
60. Changes in fair value of portfolio hedged financial assets (+/-)	(157,067)	(150,275)
70. Equity investments	1,686	1,674
90. Property, plant and equipment	144,174	146,296
100. Intangible assets	124,181	124,844
- goodwill	89,602	89,602
110. Tax assets	30,275	53,250
a) current tax assets	180	-
b) deferred tax assets	30,095	53,250
130. Other assets	1,277,274	1,813,917
Total assets	35,359,177	34,688,817

Consolidated interim financial statements

Consolidated balance sheet

(Amounts in € thousand)

Liabilities and Shareholders' equity	06/30/2025	12/31/2024
10. Financial liabilities at amortized cost	32,345,449	31,649,742
a) due to banks	859,635	850,600
b) due to customers	30,680,880	29,988,914
c) debt securities in issue	804,934	810,228
20. Financial liabilities held for trading	26,464	8,130
40. Hedging derivatives	45,488	48,485
50. Changes in fair value of portfolio hedged financial liabilities (+/-)	(1,846)	(3,164)
60. Tax liabilities	11,148	19,519
a) current tax liabilities	11,148	19,519
80. Other liabilities	519,723	406,358
90. Provision for employee severance pay	4,057	4,364
100. Provisions for risks and charges:	164,405	166,071
a) commitments and guarantees given	76	56
c) other provisions for risks and charges	164,329	166,015
120. Revaluation reserves	(17,988)	(19,049)
140. Equity instruments	500,000	500,000
150. Reserves	1,241,967	1,053,594
160. Share premium reserve	1,934	1,934
170. Share capital	201,820	201,630
180. Treasury shares (-)	(1,280)	(1,082)
200. Net Profit (Loss) for the year (+/-)	317,836	652,285
Total liabilities and Shareholders' Equity	35,359,177	34,688,817

Consolidated interim financial statements

Consolidated Income statement

(Amounts in € thousand)

Item	01/01/2025	01/01/2024
	06/30/2025	06/30/2024
10. Interest income and similar revenues	360,996	420,080
of which: interest income calculated using the effective interest method	262,863	250,711
20. Interest expenses and similar charges	(46,118)	(59,411)
30. Net interest margin	314,878	360,669
40. Commission income	548,264	506,144
50. Commission expenses	(269,071)	(248,133)
60. Net commissions	279,193	258,011
70. Dividends and similar revenues	403	100
80. Net income financial assets and liabilities held for trading	52,466	38,533
90. Fair value adjustment in hedge accounting	(653)	(1,337)
100. Gains (Losses) on disposal or repurchase of:	(799)	1,759
a) financial assets at amortised cost	(799)	1,759
110. Net gains (losses) on other financial assets/liabilities at fair value through profit and loss:	(65)	412
b) other financial assets mandatorily at fair value	(65)	412
120. Operating income	645,423	658,147
130. Net impairment/write-backs for credit risk related to:	(3,563)	(838)
a) financial assets at amortised cost	(3,563)	(824)
b) financial assets at fair value through other comprehensive income	-	(14)
140. Profit/loss from contract changes without cancellation	(2)	1
150. Net profit from financial activities	641,858	657,310
180. Net profit from financial and insurance activities	641,858	657,310
190. Administrative costs:	(270,175)	(279,909)
a) payroll costs	(73,783)	(67,023)
b) other administrative costs	(196,392)	(212,886)
200. Net provisions for risks and charges	(7,744)	(2,181)
a) commitments and guarantees issued	(21)	129
b) other net provisions	(7,723)	(2,310)
210. Net impairment/write-backs on tangible assets	(11,335)	(10,350)
220. Net impairment/write-backs on intangible assets	(2,171)	(2,267)
230. Other operating income/charges	109,475	96,987
240. Operating costs	(181,950)	(197,720)
250. Profit (Loss) on equity investments	10	8
290. Total profit or loss before tax from continuing operations tax expense related to profit or loss from continuing operations	459,918	459,598
300. Tax expense (income) of the period related to profit or loss from continuing operations	(142,082)	(139,278)
310. Total profit or loss after tax continuing	317,836	320,320
330. Profit (Loss) for the period	317,836	320,320
350. Profit (Loss) for the period attributable to the Parent Company	317,836	320,320

	30/06/2025	30/06/2024
Earnings per share (euro)	0.52	0.52
Diluted earnings per share (euro)	0.52	0.52

Note:

For further information on "Earnings per share" and "Diluted earnings per share" please see notes to the accounts, Part C - Information on the Consolidated Income Statement, Section 25.

Consolidated interim financial statements

Consolidated statement of comprehensive income

(Amounts in € thousand)

Item	01/01/2025	01/01/2024
	06/30/2025	06/30/2024
10. Profit (Loss) for the period	317,836	320,320
Other income components net of taxes without reversal to the income statement	527	919
70. Defined benefit plans	526	921
90. Valuation reserves from investments accounted for using the equity method	1	(2)
Other income components net of taxes with reversal to the income statement	535	(805)
150. Financial assets (no equity securities) measured at fair value with an impact on total profitability	535	(805)
200. Total other income components after tax	1,061	114
210. Overall profitability (Item 10 + 200)	318,897	320,434
230. Consolidated comprehensive income attributable to Parent Company	318,897	320,434

Statement of changes in consolidated shareholders' equity

Statement of changes in consolidated shareholders' equity at 06/30/2025

(Amounts in € thousand)

	Balance as at 12/31/2024	Change in opening balance	Balance as at 01/01/2025	Allocation of profit from previous year		Change during the year									Shareholders' equity group as at 06/30/2025	Shareholders' equity minorities as at 06/30/2025	
						Changes in reserves	Shareholders' equity transactions							Comprehensive income as at 06/30/2025			
				Reserves	Dividends and other distributions		Issues of new shares	Purchase of own shares	Distributions of extraordinary dividends	Changes in equity instruments	Own share derivatives	Stock options	Changes in ownership				
Share capital:																	
- ordinary shares	201,630	-	201,630	-	-	-	190	-	-	-	-	-	-	-	-	201,820	-
- other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share premium reserve	1,934	-	1,934	-	-	-	-	-	-	-	-	-	-	-	-	1,934	-
Reserves:																	
- from profits	1,002,066	-	1,002,066	199,719	-	(13,539)	-	-	-	-	-	(190)	-	-	-	1,188,056	-
- others	51,528	-	51,528	-	-	-	-	-	-	-	-	2,383	-	-	-	53,911	-
Revaluation reserves	(19,049)	-	(19,049)	-	-	-	-	-	-	-	-	-	-	1,061	-	(17,988)	-
Equity instruments	500,000	-	500,000	-	-	-	-	-	-	-	-	-	-	-	-	500,000	-
Treasury shares	(1,082)	-	(1,082)	-	-	-	772	(970)	-	-	-	-	-	-	-	(1,280)	-
Profit (loss) for the year	652,285	-	652,285	(199,719)	(422,566)	-	-	-	-	-	-	-	-	317,836	-	317,836	-
Shareholders' Equity Group	2,389,312	-	2,389,312	-	(422,566)	(13,539)	962	(970)	-	-	-	2,193	-	318,897	-	2,244,289	-
Shareholders' Equity Minorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

The Shareholders' Meeting of 29 April 2025 approved the distribution of the unit dividend of €0.74, as proposed by the Board of Directors on 11 March 2025, totalling 452,565,737.54 euro.

The column "Stock options" includes the incentives plans serviced by FinecoBank shares.

The column "Changes in reserves" mainly includes the coupons paid on equity instruments and the transaction costs directly attributable to the issue of new ordinary shares during the period, net of related taxes, as well as the portion of dividends not distributed in respect of treasury shares held by the Bank at the record date.

Statement of changes in consolidated shareholders' equity at 06/30/2024

(Amounts in € thousand)

	Balance as at 12/31/2023	Change in opening balance	Balance as at 01/01/2024	Allocation of profit from previous year		Change during the year									Shareholders' equity group as at 06/30/2024	Shareholders' equity minorities as at 06/30/2024
						Changes in reserves	Shareholders' equity transactions							Comprehensive income as at 06/30/2024		
				Reserves	Dividends and other distributions		Issues of new shares	Purchase of own shares	Distributions of extraordinary dividends	Changes in equity instruments	Own share derivatives	Stock options	Changes in ownership			
Share capital:																
- ordinary shares	201,508	-	201,508	-	-	-	122	-	-	-	-	-	-	-	201,630	-
- other shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share premium reserve	1,934	-	1,934	-	-	-	-	-	-	-	-	-	-	-	1,934	-
Reserves:																
- from profits	844,333	-	844,333	187,511	-	(13,255)	-	-	-	-	-	(120)	-	-	1,018,469	-
- others	45,773	-	45,773	-	-	-	-	-	-	-	-	2,350	-	-	48,123	-
Revaluation reserves	(6,730)	-	(6,730)	-	-	-	-	-	-	-	-	-	-	114	(6,616)	-
Equity instruments	500,000	-	500,000	-	-	-	-	-	-	131,883	-	-	-	-	631,883	-
Treasury shares	(1,243)	-	(1,243)	-	-	-	733	(572)	-	-	-	-	-	-	(1,082)	-
Profit (loss) for the year	609,101	-	609,101	(187,511)	(421,590)	-	-	-	-	-	-	-	-	320,320	320,320	-
Shareholders' Equity Group	2,194,676	-	2,194,676	-	(421,590)	(13,255)	855	(572)	-	131,883	-	2,230	-	320,434	2,214,661	-
Shareholders' Equity Minorities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

The Shareholders' Meeting of April 24th, 2024 approved the distribution of the unit dividend of € 0.69, as proposed by the Board of Directors on March 12nd, 2024, totalling 421,589,604.63 euro.

The column "Stock options" includes the incentives plans serviced by FinecoBank shares.

The column "Changes in reserves" mainly includes the coupons paid on equity instruments, directly attributable to the issue of new ordinary shares during the period and costs associated with the issue and repurchase of equity instruments that occurred during the period, net of related taxes, as well as the portion of dividends not distributed in respect of treasury shares held by the Bank at the record date.

Consolidated interim financial statements

Consolidated cash flow statement

(Amounts in € thousand)

Items	Amount	
	06/30/2025	06/30/2024
A. OPERATING ACTIVITIES		
1. Operations	371,710	383,667
- net result for the period (+/-)	317,836	320,320
- gains/losses on financial assets held for trading and on assets designated at fair value through profit and loss (-/+)	712	(719)
- gains/losses on hedging operations (+/-)	653	1,337
- net impairment/write-backs due to credit risk (+/-)	5,468	2,520
- net impairment/write-backs on tangible and intangible assets (+/-)	13,506	12,617
- provisions and other incomes/expenses (+/-)	15,852	9,605
- net income/expenses from insurance contracts issued and reinsurance contracts held	-	-
- unpaid duties, taxes and tax credits (+/-)	562	25,425
- write-downs/write-backs after tax on discontinued operations (+/-)	-	-
- other adjustments (+/-)	17,121	12,562
2. Liquidity generated/absorbed by financial assets	(1,040,578)	1,063,634
- financial assets held for trading	(16,551)	(6,028)
- financial assets at fair value	-	-
- other assets mandatorily at fair value	(164)	3,123
- financial assets at fair value through other comprehensive income	-	(198,613)
- financial assets at amortised cost	(1,580,712)	855,827
- other assets	556,849	409,325
3. Liquidity generated/absorbed by financial liabilities	802,014	(576,924)
- financial liabilities at amortised cost	695,143	(474,577)
- financial liabilities held for trading	16,545	2,353
- financial liabilities designated at fair value	-	-
- other liabilities	90,326	(104,700)
4. Liquidity generated/absorbed from insurance contracts issued and reinsurance contracts held	-	-
- insurance contracts issued representing liabilities/assets (+/-)	-	-
- reinsurance contracts held representing assets/liabilities (+/-)	-	-
Net cash flows from/used in operating activities	133,146	870,377
B. INVESTMENT ACTIVITIES		
1. Cash flows from	-	-
- sales of equity investments	-	-
- dividends received from equity investments	-	-
- sales of tangible assets	-	-
- sales of intangible assets	-	-
- sales of subsidiaries and company branches	-	-
2. Liquidity absorbed by	(8,026)	(3,670)
- purchases of equity investments	-	-
- purchases of tangible assets	(6,518)	(2,353)
- purchases of intangible assets	(1,508)	(1,317)
- purchases of subsidiaries and company branches	-	-
Net cash flows from/used in investing activities	(8,026)	(3,670)
C. FUNDING ACTIVITIES		
- issue/purchase of treasury shares	(7)	282
- issue/purchase of equity instruments	-	131,883
- distribution of dividends and other scopes	(467,069)	(435,699)
- sale/purchase of control of third parties	-	-
Net cash flows from/used in financing activities	(467,076)	(303,534)
NET CASH FLOWS GENERATED/ABSORBED IN THE PERIOD	(341,956)	563,173

Consolidated cash flow statement

RECONCILIATION

(Amounts in € thousand)

	Amount	
	06/30/2025	06/30/2024
Cash and cash balances at the beginning of the period	1,962,988	2,266,250
Net cash flow generated/absorbed in the period	(341,956)	563,173
Cash and cash balances: effect of exchange rate variations	(17,005)	4,146
Cash and cash balances at the end of the period	1,604,027	2,833,569

Key

(+) generated
(-) used

The term "Cash and cash equivalents" refers to the definition contained in Bank of Italy rules (Circular no. 262 of December 22nd, 2005 and subsequent updates) and refers to cash and claims on demand, in the technical form of current accounts and deposits, to banks and central banks accounted for in item 10 of the balance sheet assets "Cash and cash balances", excluding any impairment provisions and accruals made on financial assets.

The reduction in cash and cash equivalents at the end of the first half of 2025 compared to the end of the previous financial year is attributable to FinecoBank's decision, in line with the changing market scenario, to invest part of its available liquidity in bonds issued by supranational and government counterparties in the Eurozone.

The liquidity generated/absorbed by the Group's financial liabilities, although according to IAS 7 par. 44A is representative of flows deriving from flows deriving from financing/providing activities, is classified, consistently with the banking activity carried out and as required by Bank of Italy Circular 262/2005, as liquidity from operating activities.

Part A – Accounting policies

A.1 General

Section 1 - Statement of Compliance with IFRS

In implementation of Legislative Decree no. 38 of February 28th, 2005, these Condensed interim consolidated financial statements of the FinecoBank Banking Group (represented by the Bank and the subsidiary Fineco Asset Management DAC, hereinafter “FinecoBank Group” or “Group”) have been prepared in accordance with the IAS/IFRS issued by the International Accounting Standards Board (IASB), including the SIC and IFRIC interpretation documents, as endorsed by the European Commission, pursuant to EU Regulation 1606/2002 of July 19th, 2002 and applicable to financial reports for the periods starting on or after January 1st, 2025, and, in particular, it complies with the international accounting standard applicable for interim financial reporting (IAS 34). Based on paragraph 10 of this principle, FinecoBank has availed itself of the option of preparing the consolidated interim financial statements in an abbreviated version.

It also forms an integral part of the Consolidated first half financial report pursuant to paragraph 2 of article 154-ter of the Consolidated Finance Act (TUF, Legislative Decree 24/2/1998 n. 58). The Consolidated first-half financial report, as required by paragraph 2 of the aforementioned article of the TUF, includes the Condensed interim consolidated financial statements, the consolidated interim report on operations and the certification of the Condensed interim consolidated financial statements, provided for by paragraph 5 of art. 154-bis of the TUF, pursuant to art. 81-ter of Consob Regulation no. 11971 of May 14th, 1999 and subsequent amendments and additions.

In its circular 262 of December 22nd, 2005 as amended, the Bank of Italy laid down the formats for the consolidated financial statements and Notes to the consolidated accounts of banks and regulated financial companies that are parents of banking groups, which have been used to prepare these Consolidated interim financial statements.

Section 2 - Preparation criteria

As mentioned above, these Condensed interim consolidated financial statements have been prepared in accordance with the IAS/IFRS endorsed by the European Commission. The following documents have been used to interpret and support the application of IFRS, even though not all of them have been endorsed by the European Commission:

- The Conceptual Framework for Financial Reporting;
- Implementation Guidance, Basis for Conclusions, IFRICs and any other documents prepared by the IASB or International Financial Reporting Interpretations Committee (IFRIC) supplementing the IFRS;
- Interpretation documents on the application of IFRS in Italy prepared by the *Organismo Italiano di Contabilità* (Italian Accounting Body);
- the documents issued by ESMA (European Securities and Markets Authority), by European Banking Authority, by European Central Bank, by Bank of Italy and by Consob that refer to the application of specific provisions included in the IFRSs;
- the documents prepared by Italian Banking Association (ABI).

The Condensed interim consolidated financial statements comprise the consolidated Balance Sheet, the consolidated Income Statement, the consolidated Statement of Comprehensive Income, the consolidated Statement of Changes in Shareholders' Equity, the consolidated Cash Flow Statement (compiled using the indirect method), and these notes to the accounts, together with the Directors' Report on Operations (“Consolidated interim report on operations”) and the Annexes. Any discrepancies between the figures shown in the Consolidated financial statements and the notes to the accounts are due to roundings.

The consolidated Balance Sheet is shown in comparison with the corresponding figures for the year 2024, while the Consolidated Income Statement is shown in comparison with the corresponding figures for the first half of the previous year.

In the consolidated statement of comprehensive income, the profit (loss) for the period, recognised in the consolidated income statement, are added to the income components recognised, in accordance with international accounting standards, as an offsetting entry to the valuation reserves, net of the related tax effect. The consolidated statement of comprehensive income is presented with separate evidence of the income components that will not be recognised in the income statement in the future and those that may otherwise be reclassified to profit (loss) for the period if certain conditions are met. The statement is compared with the corresponding statement for the first half of the previous year.

The statement of changes in consolidated shareholders' equity shows the composition of and changes in shareholders' equity during the first half of the year of the Consolidated interim financial statements and the first half of the previous year.

The consolidated cash flow statement shows the cash flows occurred during the first half of the year of the consolidated interim financial statements in an abbreviated version compared to those of the same period of previous year and has been prepared using the indirect method, whereby cash flows from operating activities are represented by the result for the period adjusted for the effects of non-monetary transactions.

The figures in the Consolidated financial statements and the Notes to the accounts are provided in thousands of euros, unless otherwise indicated and have been prepared with reference to the instructions on banks' financial statements set out in the Bank of Italy's Circular 262 of December 22nd 2005, and subsequent updates. In accordance with the Bank of Italy Circular 262/2005, items in the consolidated Balance Sheet, consolidated Income

Part A – Accounting policies

Statement and consolidated Statement of Comprehensive Income for which there is no significant information to be disclosed for the reporting period and the previous year, or the corresponding period of the same, are not provided. In addition, the tables in the Notes to the accounts that do not have any significant information to be disclosed are not shown either for the reporting period or the previous year.

With reference to IAS 1, these Condensed interim consolidated financial statements have been prepared on a going concern basis, as there are no doubts or uncertainties considering the Group's economic and financial situation, as to the ability of the Group to continue its business operations and to continue operating for the foreseeable future (at least equal to 12 months).

The measurement criteria adopted are therefore consistent with this assumption and with the principles of accrual based accounting, the relevance and materiality of accounting information, and prevalence of economic substance over legal form.

Section 3 – Consolidation Procedures and Scope

The consolidation criteria and principles adopted in the preparation of the Condensed interim consolidated financial statements at June 30th, 2025 are set out below.

Scope of consolidation

The scope of consolidation includes FinecoBank and its direct subsidiaries. There are no companies indirectly controlled by FinecoBank.

The following was used for full consolidation:

- the accounts at June 30th, 2025 of FinecoBank S.p.A.;
- the accounts at June 30th, 2025 of Fineco Asset Management DAC ("Fineco AM"), fully consolidated and wholly owned, prepared in accordance with IAS/IFRS where the items have been appropriately reclassified and adjusted for consolidation requirements.

Data referring to the accounting date of March 31st, 2025 provided by Vorvel SIM S.p.A., the only investment subject to significant influence and included in the scope, were used for consolidation using the equity method.

Changes in the scope of consolidation

There are no changes in the scope of consolidation since December 31st, 2024.

1. Interests in fully-owned subsidiaries

Company names	Headquarters	Registered office	Type of relationship (1)	Ownership relationship		Voting rights % (2)
				held by	holding %	
1. Fineco Asset Management DAC	Dublin	Dublin	1	FinecoBank	100%	100% effective

Key:

(1) Type of relationship:

1 = majority of voting rights and the ordinary Shareholders' Meeting

(2) Availability of votes in the ordinary Shareholders' Meeting, with a distinction between actual and potential votes.

Part A – Accounting policies

2. Valuations and key assumptions to define the scope of consolidation

Subsidiaries

The Group determines the existence of control and, consequently, the scope of consolidation by considering the following factors:

1. the purpose and constitution of the investee in order to identify what the entity's objectives are, the activities that determine its returns and how those activities are governed;
2. power in order to understand whether it has contractual rights that give it the ability to govern the relevant activities; for this purpose only substantive rights that provide practical capacity to govern are considered;
3. exposure to variability of returns and the ability to use the power held to influence the returns to which it is exposed;
4. the existence of potential "principal/agent" relationships, as defined in IFRS 10.

Where the relevant assets are governed by voting rights, the existence of control is verified by considering the voting rights, including potential ones, held and the existence of any agreements or shareholders' agreements that give the right to control the majority of the voting rights, to appoint the majority of the governing body or in any case the power to determine the financial and operating policies of the entity.

The Group differentiates between entities governed by voting rights, so-called operating entities, and entities not governed by voting rights, which include, for example, special purpose entities and investment funds.

In the case of operating entities, the following factors provide evidence of control:

- own, directly or indirectly through its subsidiaries, more than half of the voting power of an enterprise unless, in exceptional cases, it can be clearly demonstrated that such ownership does not constitute control;
- own half or less of the votes exercisable at the shareholders' meeting and have the practical ability to govern the relevant activities unilaterally through:
 - controlling more than half of the voting rights by virtue of an agreement with other investors;
 - the power to determine the financial and operating policies of the entity by virtue of a clause in the articles of association or a contract;
 - the power to appoint or remove the majority of the members of the board of directors or equivalent corporate governance body, and the management of the company is the responsibility of that board or body;
 - the power to exercise the majority of voting rights at meetings of the Board of Directors or equivalent corporate governance body, and the management of the company is the responsibility of that board or body.

In the case of entities that are not governed by voting rights, the Group makes an assessment of whether:

- it has power over the relevant assets of the investee,
- it has exposure to the performance of the investee, and
- there is a correlation between the two points above, i.e. the Group has the ability to exercise its power to affect the returns from that relationship.

In this context, it should be noted that the control of investment funds is typically evidenced by the contractual right to manage the investment choices/strategies of the fund itself (either directly, by acting as asset manager, or indirectly through the ability to remove the asset manager) in conjunction with ownership of at least 30% of the exposure (combined with the units and fees received by the fund in the case where the investor is also an asset manager). In the context of funds managed by Group companies, funds in the Seed/Warehousing phase are not considered controlled. In fact, in this phase, the purpose of the fund is to invest, according to the provisions of the relative regulation, in financial and non-financial assets in order to place the units with third party investors. Consequently, it is believed that the management company is not in a position to exercise effective power due to the limited discretionary scope.

Associates

An associated company is an enterprise in which the investor exercises significant influence and which is neither an exclusive subsidiary nor a joint subsidiary.

Significant influence is presumed when the Group holds, directly or indirectly, at least 20% of the capital of another company, or - albeit with a lower share of voting rights - has the power to participate in determining the financial and management policies of the investee company by virtue of particular legal ties such as participation in shareholders' agreements.

Only entities whose governance is exercised through voting rights can be classified as companies with significant influence.

Part A – Accounting policies

3. Interests in fully-owned subsidiaries with major minority interests

As at June 30th, 2025, the only wholly-owned subsidiary, Fineco AM, is 100% owned.

3.1 *Minority interests, availability of minority votes and dividends distributed to minority shareholders*

No data to report.

3.2 *Significant minority interests: accounting data*

No data to report.

4. Significant restrictions

No data to report.

5. Other information

As required by paragraph 11 of IFRS 12, it should be noted that there are no financial statements of subsidiaries used in the preparation of the consolidated interim financial statements that are dated other than the date of the consolidated financial statements.

Consolidation methods

Full consolidation

Investments in subsidiaries are consolidated on a line-by-line basis, which consists of the acquisition of the subsidiary's balance sheet and income statement aggregates "line by line".

After any attribution to third parties, in their own items, of their share of the equity and the economic result (respectively item "190. Minority interests" and item "340. Profit (loss) for the period attributable to minority interests"), the book value of the investment is written off - against the assumption of the related assets and liabilities - against the corresponding portion of shareholders' equity attributable to the parent company (100% in the case of a company wholly owned by the parent company). Differences resulting from this transaction, if positive, are recognised - after any allocation to assets or liabilities of the subsidiary, including intangible assets - as goodwill under Intangible Assets. Any negative differences are recognised in the income statement. Assets and liabilities, off-balance sheet transactions, income and expenses as well as profits and losses between the companies are fully eliminated in accordance with the consolidation method adopted. Dividends distributed by subsidiaries are eliminated from the consolidated profit and loss account with a counter-entry to retained earnings.

Consolidation using the equity method

Investments in associates and joint ventures are consolidated, in accordance with IAS 28, using the equity method, which consists of the initial recognition of the investment at acquisition cost, including initial direct costs associated with the acquisition, and its subsequent value adjustment based on the investor's share of the investee's equity.

At the time of acquisition, the difference between the cost of the investment and the investor's share of the net fair value of the investee's identifiable assets and liabilities must be identified; if the difference is positive, it is recognised as goodwill and included in the carrying amount of the investment; if it is negative, it is recognised as income in determining the investor's share of the associate's profit or loss for the period in which the investment is acquired.

Subsequently, the carrying amount is increased or decreased by the investor's share of the investee's profits or losses realised after the date of acquisition, recognised in profit or loss in item 250. "Profit (Loss) on equity investments".

This share must be adjusted to take account of:

- the profits and losses resulting from the transactions of the associated company, in proportion to the percentage of the shareholding in that company;
- depreciable assets based on their fair value at the date of acquisition and impairment losses on goodwill and any other non-cash items.

Dividends received are not recognised in the income statement but are treated as a mere equity transaction that reduces the carrying amount of the investment against the cash received.

Changes in valuation reserves of associates are disclosed separately in the consolidated statement of comprehensive income.

Part A – Accounting policies

If the associate prepares its financial statements in foreign currency, the translation differences at the balance sheet date are recognised in a separate currency translation reserve to be reported in the consolidated statement of comprehensive income.

If there is evidence that the value of an investment may have decreased, the recoverable amount of the investment is estimated, taking into account the present value of future cash flows that the investment may generate, including the final disposal value of the investment. If the recoverable amount is lower than the carrying amount, the difference is recognised in the income statement under item 250. "Profit (Loss) on equity investments". If the reasons for the impairment loss are removed as a result of an event occurring after the impairment was recognised, the related reversals are recognised in the same income statement item.

Section 4 - Subsequent events

No significant events have occurred after the balance sheet date that would make it necessary to change any of the information given in the Condensed interim consolidated financial statements as at June 30th, 2025.

The Condensed interim consolidated financial statements at June 30th, 2025, were approved by the Board of Directors of July 30th, 2025, which authorised their publication also pursuant to IAS10.

Section 5 – Other matters

During the first half 2025, the revised accounting standard IAS 21 "Lack of Exchangeability - Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates (Regulation (EU) 2024/2862)" came into effect, applicable to financial statements relating to periods beginning on or after January 1, 2025. The updated IAS 21 introduced the definition of an exchangeable currency¹⁰, the spot exchange rate for which must be estimated by reflecting the rate at which, at the measurement date, an orderly foreign exchange transaction between market participants would occur under prevailing economic conditions. Furthermore, an entity must disclose information in its financial statements that enables users of its financial statements to understand how the currency that is not exchangeable for the other currency affects, or is expected to affect, its financial performance, financial position, and cash flows. This change had no impact on the Consolidated Half-Year financial report as at 30th June, 2025.

Furthermore, as at 30th June, 2025, the following revisions to IFRS 9 and IFRS 7, applicable to financial statements for periods beginning on or after January 1, 2026, were endorsed:

- "Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7" (Regulation (EU) 2025/1047). The purpose of the amendments is to address certain findings following the conclusion of the Post Implementation Review (PIR) regarding the classification and measurement requirements of IFRS 9 and to respond to the request that stakeholders submitted to the IFRS Interpretations Committee. Specifically, the main amendments to IFRS 9 concern:
 - the introduction of some clarifications in the application guide for verifying the characteristics of contractual cash flows, the so-called SPPI test, which, if passed, allows for the classification of assets at amortized cost. These clarifications are intended to clarify the treatment of financial assets with ESG characteristics that, upon the achievement (or failure) of certain objectives, provide for a contractually defined variability in the interest rate (typically an increase and/or reduction by a certain number of basis points). For contracts where the nature of the contingent event itself is not directly related to changes in the risks and costs associated with the underlying loan (for example, if the borrower achieves a contractually defined reduction in carbon emissions), the entity must assess whether the contractual cash flows do not differ significantly from the contractual cash flows of a financial instrument with identical contractual provisions but without this contingent feature;
 - the introduction of some clarifications regarding the derecognition of financial liabilities settled through electronic payment systems. Financial liabilities are derecognized on the settlement date, but the entity has the option (not the obligation) to apply the new provisions that allow, if specific criteria are met, to derecognize a financial liability settled through electronic payment systems before the settlement date.

Regarding IFRS 7, disclosure requirements have been established to increase investor transparency regarding investments in equity instruments measured at fair value through other comprehensive income and in financial instruments with contingent characteristics, such as those linked to ESG objectives. Regarding the issues of interest to the Group—the SPPI test for products with ESG characteristics and the related disclosure—analysis activities are underway with the aim of defining the application methods and updating corporate processes.

- "Contracts Referencing Nature-dependent Electricity - Amendments to IFRS 9 and IFRS 7" (Regulation (EU) 2025/1266). The amendments are intended to enable entities to better report the financial effects of contracts for the purchase of electricity generated from natural sources (so-called "nature-dependent"), which are often structured as power purchase agreements (PPAs). The main changes concern:

¹⁰ A currency is exchangeable for another currency when the entity is able to obtain the other currency within a time frame that allows for normal administrative delay and through a market or exchange mechanism in which an exchange transaction would create legally enforceable rights and obligations.

Part A – Accounting policies

- clarifications regarding the application of the "own-use" requirements (so-called "own-use exception"), with the aim of allowing the exemption provided by IFRS 9 to be applied to entities that enter into such contracts with the intention of receiving electricity in accordance with their own usage expectations, thus avoiding classification as financial instruments to be measured at fair value;
- permitting hedge accounting when such contracts are used as hedging instruments;
- the addition of new disclosure requirements to allow investors to understand the effect of these contracts on an entity's performance and cash flows.

With reference to the Group, there are currently no such cases.

With regard to IASB documents that introduce new accounting standards or amend existing accounting standards and which are still awaiting endorsement as of 30th June, 2025, the following is noted:

- IFRS 18 Presentation and Disclosure of Financial Statements (April 2024). The new accounting standard establishes requirements for the presentation and disclosure of information in financial statements to help ensure that these documents provide relevant information that faithfully represents an entity's assets, liabilities, equity, revenues, and expenses. Application is expected to begin on January 1, 2027. However, Italian banks will need to await the Bank of Italy's adaptation to the new standard. With reference to the financial statements of banks and parent financial companies of banking groups, the Bank of Italy established, with Circular No. 262 of 22nd December, 2005 and subsequent updates, the formats for the financial statements and explanatory notes;
- IFRS 19 Subsidiaries Without Public Accountability: Disclosure (May 2024). The new accounting standard IFRS 19 "Subsidiaries Without Public Accountability: Disclosure" allows investee companies that meet specific requirements to voluntarily provide simplified disclosure compared to that required by other IAS/IFRS. IFRS 19 is not applicable to the preparation of either the Group's consolidated financial statements or the individual financial statements of FinecoBank;
- Annual Improvements to IFRS Principles – Volume 11 (endorsed on 9th July, 2025, Regulation (EU) 2025/1331). These are limited-scope amendments to certain IAS/IFRS principles as part of the periodic updating of accounting principles.

Risks, uncertainties and impacts of the Russia-Ukraine military conflict

As described in the section "The Russian-Ukrainian conflict" reported in the Consolidated Interim Report on Operations (to which we refer for more details), in the first half of 2025 there was no impact on the Group's economic and financial situation, and also from a forward-looking perspective there was no impact in terms of strategic orientation, objectives and business model.

Risks and uncertainties related to the use of estimates

In accordance with IFRS, management must make judgments, estimates, and assumptions that affect the application of accounting policies and the amounts of assets, liabilities, expenses, and revenues recognized in the financial statements, as well as on the disclosure of contingent assets and liabilities. The estimates and related assumptions, set out below, take into account all information available at the date of preparation of the half-yearly report and are based on past experience and other factors considered reasonable in the case and have been adopted to estimate the carrying value of assets and liabilities that are not readily apparent from other sources.

In the presentation of the Condensed interim consolidated financial statements at June 30th, 2025, estimates have been used to support the carrying amount of some of the valuation-based items, as required by the accounting standards and regulations described above. These estimates are largely based, as regards assets, on calculations of future recoverability of the values recognised in the accounts and as regards liabilities, on estimates of the probability of using resources to meet the Group's obligations and on the amount of resources necessary to that end, according to the rules laid down in current legislation and standards. They have been made on the assumption of a going concern, on which basis these Condensed interim consolidated financial statements have been prepared, i.e. without contemplating the possibility of the forced sale of the estimated items. The processes adopted support the carrying amounts at June 30th, 2025. For some of the above items, the valuation is particularly complex, the complexity and subjectivity of estimates is influenced by the intricacy of the underlying assumptions, the amount and variability of available information and the uncertainties connected with possible future outcomes of proceedings, disputes and litigation.

The parameters and information used to determine the above-mentioned values are therefore significantly affected by multiple factors, which could change rapidly in ways that are currently unforeseeable and, as a result, future effects on the estimated carrying amounts cannot be ruled out.

Estimates and underlying assumptions are regularly reviewed. Any changes resulting from these reviews are recognised in the period in which the review was carried out, provided the change only concerns that period. If the revision concerns both current and future periods it is recognised accordingly in both current and future periods.

Uncertainty affecting estimates is inherent, among other factors, in the determination of:

- fair value of financial instruments not listed in active markets;
- the valuation of credit exposures, represented by loans/debt securities and, in general, any other financial assets. In this regard, mention is made, albeit not exhaustively, of the risk of uncertainty inherent in the determination of future cash flows from impaired loans, and of the

Part A – Accounting policies

risk parameters used to calculate expected credit losses (ECL) in accordance with IFRS 9, and in particular, in the determination of the significant increase in credit risk (SICR) of individual credit exposures, as well as in the inclusion, within the aforementioned parameters, of forward looking information (FLI) determined through macroeconomic scenarios;

- the value in use of intangible assets with an indefinite life, represented by goodwill, trademarks and domains
- employee severance pay provision and other employee and financial advisor benefits;
- provisions for risks and charges, the quantification of which is estimated with reference to the amount of expenditure required to meet the obligations, taking into account the actual probability of having to use resources;
- deferred tax assets;
- tax liabilities;

the quantification of the above items can vary even significantly over time, depending on changes in national and international social and economic conditions and their impact on the Group's earnings, customer solvency and the credit quality of borrowers; the performance of the financial markets, which influence interest rate fluctuation, prices and actuarial assumptions used to make estimates; legislative and regulatory changes affecting the market; and developments in existing or potential disputes.

The Group does not have significant exposures to financial instruments measured at fair value that are not listed on active markets. For information on valuation methodologies, unobservable inputs, and parameters used in fair value measurements, as well as sensitivities to changes therein, please refer to Part A - Section A.4 "Information on Fair Value " of these notes to the accounts.

For the purpose of calculating expected losses, the Group uses specific models adopting Probability of Default ("PD") and Loss Given Default ("LGD") parameters for clients and counterparties. In particular, for institutional counterparties, ECL are calculated using risk parameters provided by the external provider Moody's Analytics; for retail counterparties, the Group does not have an ECL specific internal rating system. Therefore, PD and LGD curves are estimated by product type through models developed internally by the CRO Department (personal loans and mortgages) or proxies (other exposures). To implement the requirements of IFRS 9 accounting standard, the parameters are adjusted by forward-looking analyses through specific scenarios developed by external provider Moody's Analytics. Specifically, the forward-looking component is determined by three macroeconomic scenarios, a base ("Baseline") scenario, a positive scenario, and an adverse scenario. The baseline scenario is weighted at 40% as it is considered the most likely to be realized; the positive and adverse scenarios, on the other hand, are weighted at 30%, and represent alternative best- and worst-case realizations, respectively. Forward-looking factors used as of June 30th, 2025 incorporate forward looking information considering the possible developments of the tariffs escalation between the USA and the EU, of the tensions in the Middle-East between Israel and Hamas, as well as of the military conflict between Russia and Ukraine.

A key aspect required by IFRS 9 is the need to recognise at each reporting date whether there has been a significant increase in credit risk (SICR) on each individual credit exposure, transposed through a three-stage Staging Allocation model. This model envisages a first stage (stage 1), which includes new exposures and exposures that at the reporting date do not show a significant deterioration in credit risk with respect to initial recognition, a second stage (stage 2), which includes exposures on which a significant deterioration in credit risk has been detected with respect to initial recognition, and a third stage (stage 3), which includes impaired exposures (Non-performing exposures - NPE). With reference to institutional counterparties with whom credit activity is carried out, the Group uses a method that compares the rating at the reference date and the rating recorded at the date the exposure was first recognised in the financial statements. The method, which makes use of the external rating assigned by the agency Moody's, is also applied to financial instruments acquired by the Group for investment purposes. Regarding retail counterparties and other unrated institutional counterparties the Group makes use of the backstop preferred to in the regulations and additional internal evidence. In this context, all exposures that are more than 30 days past due, or for which additional information is available that suggests a deterioration in the counterparty's creditworthiness are classified as Stage 2. It should be noted that, for the determination of the staging allocation only, a scoring model for retail customers is being developed and planned to be in production by September 2025. For more details on the models and parameters used in the measurement of IFRS 9 impairment, including the new scoring model for retail counterparties, see Part E - Information on risks and related hedging policies of the notes to the accounts.

Despite the delicate geopolitical and economic context, there was no significant deterioration in the credit portfolio during the first half of 2025, neither with regard to financial investments nor with regard to the Group's loans to ordinary customers. With regard to institutional counterparties issuing financial instruments that the Group has acquired as investments, although there was a deterioration in credit parameters mainly due to the application of forward-looking factors, which incorporate the effects of the deteriorated macroeconomic environment, no changes in creditworthiness were detected that would trigger a stage 2 transition. Loans to ordinary customers, on the other hand, did not show any significant increase in flows to stage 2 or stage 3. The latter are in fact disbursed in application of a careful and prudent lending policy and are mainly backed by financial and real estate collateral. In the case of real estate loans, the average loan-to-value is, in fact, about 44% and the credit facilities granted provide for the acquisition of guarantees with conservative margins.

With reference to the projections of future cash flows, assumptions and parameters used for the purpose of assessing the recoverability of the goodwill, brands and Fineco domains recorded in the financial statements, it should be noted that the parameters and information used are significantly influenced by the macroeconomic market environment, which could experience unforeseeable changes considering the uncertainties highlighted above. In this regard, it should be noted that on December 17th, 2024, the Board of Directors had approved the procedure adopted for determining the value in use of goodwill, trademarks, and domains (model, assumptions, and parameters used) for the purpose of preparing the financial statements for the year ended December 31st, 2024, and on February 5th, 2025, the Board of Directors had approved the outcome of the impairment test. It should be noted that as of June 30th, 2025, the Parent Company has assessed that the changes reasonably estimated in the forward-looking data used as of December 31st, 2024, have not a significant impact on the positive outcome of the impairment test carried out on that date, whose results confirm the

Part A – Accounting policies

sustainability of the goodwill recorded in the financial statements, not showing in any of the scenarios assumed the need for impairment, confirming a value in use significantly higher than the book value. The sensitivity analyses carried out at the closing of the financial statements as at December 31st, 2024 also highlight that the impairment test would reach a break-even level assuming changes currently not reasonably conceivable in the main parameters used in the valuation model. Please refer to Part B - Information on the Consolidated Balance Sheet - Section 10 - Intangible Assets of the Notes to the consolidated accounts of the Financial Report as of December 31st, 2024.

With regard to severance pay and other benefits due to employees and financial advisors, including, in particular, the supplementary customer indemnity, although the valuations were made based on information deemed reasonable and sustainable as of 30th June, 2025, they may be subject to changes that are currently unforeseeable due to changes in the parameters underlying the respective valuations. For further details on the main parameters used for the actuarial valuation of severance pay and the supplementary client indemnity fund, please refer to Part B – Consolidated Balance Sheet in the notes to the accounts. For the sensitivity analysis, please refer to Part B – Consolidated Balance Sheet in the Notes to the consolidated accounts of the Financial Report as of 31st December, 2024.

The quantification of provisions for risks and charges, particularly those related to complaints and litigation, is estimated both with reference to the amount of disbursements required to fulfill obligations, taking into account the actual probability of having to use resources, and with reference to the timing of the disbursement. The assessment can be particularly complex; therefore, it cannot be ruled out that the estimates of provisions for risks and charges may undergo future changes, currently unforeseeable, due to updates to available information. For further details, please refer to Part E – Information on risks and relating hedging policies – Section 5 – Operational risks in the notes to the accounts.

Furthermore, no uncertainty has been recognised with regard to the recoverability of deferred tax assets. There are no unrecognized deferred tax assets or liabilities related to temporary differences. Furthermore, there are no tax losses. The amount of deferred tax assets recognized in the balance sheet must be tested to verify whether it is probable that future taxable income will be available to allow their recovery. The test conducted at the closing date of 30th June, 2025, yielded a positive result. For further details on the test performed, please refer to the paragraph "Testing the recoverability of deferred tax assets" included in Section "11 - Tax assets and tax liabilities – Asset item 110 and liability item 60" in the notes to the accounts.

Finally, it should be noted that current tax liabilities include the balance, net of advance payments, of Group companies' direct tax liabilities with Italian and foreign tax authorities, calculated based on a prudent estimate of the tax liability due for the current financial year and, where applicable, for previous financial years, determined in accordance with applicable tax regulations.

For a description of the financial risks faced by the Group, and more specifically, credit risks, market risks, liquidity risks, and operational risks, please refer to Part E – Information on risks and relating hedging policies in the notes to the accounts.

Going concern declaration

Persistent geopolitical tensions lead to significant uncertainty in macroeconomic forecasts, in terms of GDP, inflation rates and interest rates; despite this, it is considered that there is no doubt regarding the Group's ability to continue as a going concern in the foreseeable future, nor there are any uncertainties that would give rise to significant adjustment to book values within the next year. However, it cannot be ruled out that, due to their nature, the assumptions reasonably made may not be confirmed in the actual future scenarios in which the Group will operate. In making this assessment, moreover, key regulatory indicators, in terms of point data as of June 30th, 2025, relative buffers against minimum regulatory requirements and their evolution in the foreseeable future were considered.

The Directors have considered these circumstances and consider that it is reasonably certain that the Group will continue to operate successfully in the foreseeable future and, therefore, in accordance with IAS 1, the consolidated interim financial statements for the period ended June 30th, 2025, have been prepared on a going concern basis.

Other information

The Consolidated interim financial statements as at June 30th, 2025, are subject to limited audit by KPMG S.p.A. appointed as auditor of the Bank's accounts in implementation of the Shareholders' Meeting resolution of April 28th, 2021.

The entire document is lodged with the competent offices and entities as required by law.

Part A – Accounting policies

A.2 The main items of the accounts

As regards the criteria for classification, recognition and measurement of the main items in the financial statement, please refer to what is illustrated in Part A.2 of the Notes to the consolidated accounts of the Financial Statements closed on December 31st, 2024.

A.3 Disclosure on transfers between portfolios of financial assets

IFRS 9 and IFRS 7 allow, after initial recognition, the modification of their business model for managing financial assets and, consequently, impose the reclassification of reclassify all affected financial assets.

Such changes are expected to be very infrequent. Such changes are determined by the entity's senior management as a result of external or internal changes and must be significant to the Group's operations and demonstrable to external parties. Accordingly, a change in a Group's business model will occur only when an entity either begins or ceases to perform an activity that is significant to its operations; for example, when the entity has acquired, disposed of, or terminated a business line.

Specifically, the following may be reclassified:

- the financial assets out of the amortised cost measurement category and into the fair value through profit or loss measurement category and vice versa;
- the financial assets out of the amortised cost measurement category and into the fair value through other comprehensive income measurement category and vice versa;
- the financial assets out of the fair value through profit or loss measurement category and into the fair value through other comprehensive income measurement category and vice versa.

The following changes in circumstances are not considered reclassifications:

- an item that was previously a designated and effective hedging instrument in a cash flow hedge or net investment hedge no longer qualifies as such;
- an item becomes a designated and effective hedging instrument in a cash flow hedge or net investment hedge;
- changes in measurement.

The following are not changes in business model:

- a change in intention related to particular financial assets (even in circumstances of significant changes in market conditions);
- the temporary disappearance of a particular market for financial assets;
- a transfer of financial assets between parts of the entity with different business models.

During the first half 2025 the Group has not made changes to its business models and, consequently, did not make any changes.

Part A – Accounting policies

A.3.1 Reclassified financial assets: change of business model, book value and interest income

No data to report.

A.3.2 Reclassified financial assets: change of business model, fair value and impact on comprehensive income

No data to report.

A.3.3 Reclassified financial assets: change of business model and effective interest rate

No data to report.

Part A – Accounting policies

A.4 Information on fair value

Qualitative information

This section presents a disclosure on fair value hierarchy as required by IFRS 13.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal market at the measurement date (i.e. an exit price).

The fair value of a payable financial liability (e.g. a demand deposit) shall not be less than the amount payable on demand, discounted from the first date at which it may be required to be paid.

As far as financial instruments listed in active markets are concerned, the fair value is determined on the basis of official prices quoted in the principal market (or the most advantageous) to which the Group has access to (Mark to Market).

A financial instrument shall be considered as quoted in an active market if quoted prices are readily and regularly available from a pricing service, dealer, broker, pricing or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. If official listing in an active market is not available for a financial instrument as a whole, but active markets exist for its component parts, fair value is determined based on the relevant market prices for the component parts.

The Group uses valuation models (Mark to Model) aligned with the methods generally accepted and used by the market. Valuation models which include techniques based on the discounting of future cash flows and volatility estimates are subject to revision both during their development and periodically to ensure consistency with the objectives of the valuation.

As a further guarantee of the objectivity of valuations resulting from valuation models, the Group performs:

- independent price verifications (IPVs);
- Fair Value Adjustment or FVAs.

Independent price verification requires prices to be monthly verified by the CRO Department, which, as the risk management function, is independent from risk-taking units. The verification thereof requires comparison and adjustments to the daily price according to valuations carried out by independent market participants. As far as instruments not listed in active markets are concerned, the above verification process takes as reference the prices provided by infoproviders, assigning greater relevance to those most representative of the instrument being valued. Such valuation includes: the "executability" of the transaction at the price observed, the number of contributors, the degree of similarity of the financial instruments, the consistency of prices coming from different sources, and the process followed by the info provider to get the information.

The internal legal framework consists of a Global Policy and a Global Operational Regulation. The Global Policy sets the principles and the rules governing the fair value measuring framework and the independent price verification process, whereas the Global Operational Regulation describes the process in detail and identifies Fair Value measuring techniques as well as independent price verification methodologies applicable for each financial instrument held by the Group.

A.4.1 Fair value levels 2 and 3: valuation techniques and input used

In order to determine a fair value or Level 2 and Level 3 financial instruments not listed and actively traded on the market, the Group uses the following valuation techniques widely-used in the market.

Description of evaluation techniques

Among the evaluation methods used by the Group, the following are worth mentioning:

- Discounted cash flow: evaluation techniques based on discounted cash flow consist of estimating expected future cash flow collectable during the life of the financial instrument. The model requires an estimate of cash flows and the adoption of market parameters for the discounting: the discount rate or margin reflects the credit and / or financing spread required by the market for instruments with similar risk and liquidity profiles, in order to define a "discounted value". The fair value of the contract is the sum of the discounted future cash flows;
- Option price model: Option price models are generally used for instrument awarding a mandatory right or duty based on the occurrence of a future event, such as the attainment of a predetermined strike price. Option models estimate the probability of occurrence of a specific event, incorporating assumptions like the volatility of the underlying returns and the price of the underlying instrument;
- Market approach: evaluation techniques exploiting prices resulting from actual market transactions involving identical or comparable asset and liabilities or groups of identical or comparable asset and liabilities;

Part A – Accounting policies

- Adjusted Net Asset Value (NAV): the NAV is the value of a fund's assets minus the value of its liabilities. An increase in such amount result in a Fair Value increase as well.

Fair Value Adjustments (FVAs)

For financial instruments not listed in active markets, as the Fair Value is determined through evaluation models, there may be necessary value adjustments in order to consider estimation uncertainties or difficulties in disinvestment. Such Adjustments represents amendments to the theoretical fair value, determined through an evaluation technique, for factors not included in the basic discounted value considered by market participant for the estimation of an exit price.

Adjustments may be calculated as additional components of valuation or be directly included in the evaluation itself. Shall the Group acquire any instrument whose evaluation does requires adjustments, the latter will be estimated by the CRO Department keeping into consideration the following risk sources: Close out cost, market liquidity, model risk, CVA/DVA.

Assets and liabilities measured at fair value on recurring basis

The main information on the valuation models used for the valuation of assets and liabilities measured at fair value on a recurring basis is summarized below by type of financial instrument.

With reference to the quantitative disclosure required by IFRS 13 on significant unobservable inputs used in the fair value measurement and the sensitivity analysis of level 3 financial assets and liabilities measured at fair value, it should be noted that the Group does not hold significant positions in financial instruments classified in level 3 of the fair value hierarchy. The only exception are Visa INC class "C" and class "A" preferred shares, for which reference is made to the following paragraph "Equities".

Fixed Income Securities

Fixed Income Securities are priced through two main process depending on the reference market liquidity. Liquid instruments listed on active markets are assigned the fair value hierarchy of 1 and the Bid price (for long positions) and the Ask price (for short positions) are considered. This approach was preferred to the detection of the closing price as it also includes liquidity risk in the assessment. Even the odds of bonds listed on active markets, whose amount is not significant, are assigned a fair value hierarchy of 1.

Any instruments not traded in active markets are valued through independent third-party valuations that consider recent transactions, market prices, yield curves, and other metrics to provide an accurate estimate of the market value of a security (e.g. Bloomberg Valuation - BVAL), or mark-to-model using implicit credit spread curves derived from Level 1 instruments. The model maximizes the use of observable parameters and minimizes the use of unobservable parameters. In this sense, depending on the representativeness of the credit spread curve applied, the bonds are classified as Level 2 or Level 3, respectively; Level 3 is applied in the case in which a significantly unobservable credit spread is used. As of June 30th, 2025, there are no bond instruments not traded in active markets valued at mark-to-model, as the only bond instruments present are of an insignificant amount and mainly related to issuers in default. Instead, the HTC portfolio includes four bond instruments valued through BGN or BVAL price, classified as level 2 of the fair value hierarchy.

The accuracy of valuations coming from both market prices of Level 1 bonds and pricing models for illiquid bonds is regularly verified through the bond Independent Price Verification (IPV) process.

OTC derivatives

The fair value of derivatives not traded in an active market derives from the application of mark-to-model valuation techniques. When there is an active market for input parameters constituting the different components of the derivative, the fair value is determined through a valuation model on the basis of the market prices of these components. Valuation techniques based on observable inputs are classified as Level 2, while those based on significant unobservable inputs are classified as Level 3.

The determination of the fair value of financial instruments and the related independent price verification process are governed at Group level by a specific Global Policy and Global Operational Regulation. With particular reference to OTC derivatives, a distinction must be made between derivatives that the Group trades directly with customers, mainly CFDs (Contract for Difference) and options (daily options and knockout options), and those that the Group trades as hedges with other financial institutions.

To calculate the price of CFDs (Contract for Difference) and of options traded as counterparty with customers Fineco uses a closing price consistent with the price offered to the customer, determined according to contractual rules and data from Info Providers, and subjected to initial validation within the New Products Process. The use of the closing price is justified by the nature of the exposures held by the Bank in this type of instrument, which envisages equal trading, in return to customer's orders.

The valuation of options by the relevant risk control functions for IPV purposes is carried out using market best practices (e.g. Hull for exotic options). The option pricing model is based on the Black & Scholes formula, which considers the following inputs:

- current price of the underlying "St"
- strike "K";
- barrier "L" (in the case of exotic options such as Barrier Options);
- interest rate "r";
- volatility "σ".

Part A – Accounting policies

Finally, for derivative instruments such as asset swaps and interest rate swaps, which the Group trades as hedges with other financial institutions, the fair value is determined through the use of a Position Keeping system, which applies the Discounting Cash Flow method. The net present value of the derivative, which is recognised on a daily basis, is used to meet clearing obligations in accordance with EMIR regulations and as agreed between the counterparties. The fair value is monitored as part of the independent price verification (IPV) process by the CRO Department. The CRO Department performs a quarterly comparison between the curves provided by the Treasury Department and those considered as the reference set for the valuation of balance sheet positions.

Equity Instruments and Derivative contracts listed

Equity Instruments and derivative contracts listed, including certificates issued by Fineco, shall be marked as to Level 1 when a quoted price is available on an active market. In this case, the closing price of the most liquid regulated market to which Fineco has access is considered. Again, the use of the closing price for these instruments is justified by the nature of the exposures held by the Bank in the Trading Book, which are functional to the brokerage activity with customers, and involves a trading on own account with customer's orders.

Equity securities and derivatives contracts, if listed, are classified as Level 2 if the volume of activity on the listing market is significantly reduced and as Level 3 when no quotations are available or quotations have been suspended indefinitely.

In order to provide a fair value for Visa INC preferred shares class "C", the Group has adopted a model which converts the market price in dollars of Visa INC class "A" shares into euro and applies a discount factor. For the class "C" preferred shares valuation as of June 30th, 2025, such factor was determined equal to 17.11%, estimating litigation risk at 11.11% and illiquidity risk at 6%. The litigation risk component has been extracted from an historical series of data provided by Visa INC, whereas the illiquidity risk component has been derived from the illiquidity of shares having limitations on their transferability for a certain period. The preferred share class "A" instead are subject to a valuation method in the balance sheet that does not provide for the application of a "Litigation Discount". Furthermore, since the latter are convertible into VISA-A Common shares and subsequently sellable, the "Illiquidity Risk" component is lower than that of the Visa class "C", therefore, the discount factor was estimated at 3.63%.

The Visa INC preferred shares class "C" and class "A" have been marked as level 3 of fair value hierarchy.

Investment Funds

The Group may hold investments in investment funds publishing a Net Asset Value (NAV) per share and may include investments in funds managed by the Group itself. Funds are generally classified as Level 1 when an official price is available on active markets. Funds shall be classified as Level 2 and Level 3 depending on the NAV availability, the transparency of the portfolio and any possible constraints/limitations.

Assets and liabilities not measured fair value or measured at fair value on a non-recurring basis

The main information on the valuation models used to measure assets and liabilities measured at fair value on a non-recurring basis is summarized below.

Financial instruments not measured at fair value on a recurrent basis, including due and loans at amortised cost, are not managed on a fair value basis. For these financial instruments the fair value is calculated for disclosure purposes only, and it has no impact on the balance sheet or through profits and losses. In addition, fair value estimations on assets and liabilities not generally traded is based on internal parameters not directly observable on active markets, as defined by IFRS 13.

With reference to the quantitative disclosure required by IFRS 13 on significant unobservable inputs used in the measurement of financial assets and liabilities measured at fair value on a non-recurring basis of level 3, and in particular with reference to loans, it should be noted that Fineco uses its own expectations regarding likely variations in the amount and timing of cash flows (e.g. early repayments), and the PD and LGD risk parameters estimated at product level to determine the uncertainty inherent in cash flows. These parameters, appropriately corrected through forward-looking information, are also used to determine the expected credit losses in accordance with the IFRS 9 accounting standard.

Financial assets at amortised cost

The fair value of financial assets measured at amortized cost that is not determined on the basis of listed prices observed on active markets (Fair Value Hierarchy 1), can be determined through independent third-party valuations that consider recent transactions, market prices, yield curves, and other metrics to provide an accurate estimate of the market value of a security (e.g. Bloomberg Valuation - BVAL). These valuations are appropriately validated by the Risk Management function as part of the Independent Price Verification process. Depending on the asset valued and the presence of inputs available for the valuation, it may be necessary to use a risk-adjusted present value model (mark to model). For some portfolios, other simplified approaches are applied, which however take into account the financial characteristics of the financial instruments contained therein. It should be noted that for all debt instruments measured at amortized cost present in the balance sheet at June 30th, 2025, the fair value was determined on the basis of quoted prices observed on active markets, or provided by independent third parties. The mark-to-model was used to determine the fair value of the receivables, with the exception of the cases reported below.

The fair value of on-demand or callable items, and of financial assets with a maturity of less than 12 months and operating receivables related to the provision of financial activities and services, is approximated equal to the balance sheet value; these assets are assigned the level 3 fair value hierarchy.

Part A – Accounting policies

The fair value of impaired loans was determined by considering that the realisable value expressed by the net book value represents the best estimate of the foreseeable future cash flows discounted at the valuation date; these assets are assigned the level 3 fair value hierarchy.

Financial liabilities at amortised cost

The fair value of financial liabilities at amortised cost is determined using a present value model adjusted for the associated issuer risk with the exception of the cases reported below.

The fair value of bonds issued and listed on active markets is determined by considering the Letter price; these instruments are assigned a fair value hierarchy of 1.

The fair value of financial liabilities on demand, financial liabilities with an original duration of less than 12 months and operating debts associated with the provision of financial activities and services is approximated equal to the book value; these liabilities are assigned a fair value hierarchy of level 3.

Cash and cash balances

The fair value of on-demand loans to banks and central banks recognised in the item “Cash and cash balances” is approximated equal to the carrying amount; these assets are assigned the fair value hierarchy level 3.

Description of the inputs used in measuring the fair value of Level 2 and Level 3 instruments

The following is a description of the main significant inputs used in measuring the fair value of assets and liabilities measured at fair value on a recurring and non-recurring basis belonging to Levels 2 and 3 of the fair value hierarchy.

Level 2 inputs are prices other than listed Level 1 prices that are observable either directly or indirectly for the assets or liabilities. In particular, they may be

- listed prices in active markets for similar assets or liabilities;
- listed prices in markets that are not active for similar or identical assets or liabilities;
- inputs other than listed prices that are observable for assets or liabilities (e.g. interest rates and yield curves observable at commonly quoted intervals; implied volatilities; credit spreads);
- inputs corroborated by market data that cannot be directly observed but are based on or supported by market data.

Level 2 factors must be observable (either directly or indirectly, e.g. through confirmations with market data) throughout the contractual life of the asset or liability being valued. Market factors that may not be directly observable but are based on or supported by observable market data are included in Level 2 because such factors are less subjective than unobservable factors classified as Level 3. Examples of Level 2 instruments are bonds whose value is derived from a similar publicly traded bond, over-the-counter interest rate swaps valued from a model whose inputs are observable, corporate bonds, asset-backed securities, high-yield debt securities as well as certain structured products where the valuation inputs are based primarily on readily available pricing information.

Level 3 valuation inputs are not observable and are relevant in the absence of Level 1 and Level 2 inputs. Given the need to estimate an exit price at the valuation date also for instruments classified in hierarchy 3, these inputs are exploited by internally developed valuation models.

Examples of Level 3 inputs for assets and liabilities are as follows:

- historical volatility, when it is not possible to observe the implied volatility (e.g. of similar options because they are not sufficiently liquid). Historical volatility generally does not represent market participants' current expectations of future volatility, even though it is the only information available to evaluate an option;
- financial forecasts developed using own data in case there is no information available;
- correlation between non-liquid assets. There are several types of correlation inputs, including credit correlation, cross-asset correlation (e.g. equity and interest rate correlation) and correlation between assets of the same type (e.g. interest rate correlation) that are generally used to value hybrid and exotic instruments;
- credit spread when it is unobservable or cannot be corroborated by observable market data.

A.4.2 - Valuation processes and sensitivity of fair value measurements

The Group verifies that the value assigned at each position in the trading book properly reflects the current fair value. The fair value measurement of assets and liabilities is calculated using various techniques, including discounted cash flow models and internal measurement models. All instruments shall be classified as Level 1, Level 2 or Level 3 of the fair value hierarchy according to the observability of the input used. When a position is characterised by one or more significant inputs not directly observable, a further price verification procedure shall be implemented. Procedures thereof include the revision of relevant historical data, the analysis of profits and losses, the individual valuation of each component for structural products and benchmarking. In order to ensure an appropriate level of separation between developing functions and validation functions, all valuation models

Part A – Accounting policies

developed by front office units shall be independently and centrally tested and validated. The aim thereof is to assess model risk arising from model's theoretical robustness, calibration techniques where applicable and suitability of the model to value a specific instrument in a defined market.

In addition to the daily mark to market or mark to model valuation, an Independent Price Verification (IPV) is carried out monthly by the Group's Market & Liquidity Risk function in order to provide an independent fair value.

With regard to the sensitivity analysis of financial assets and liabilities measured at fair value on a recurring basis at level 3 as required by IFRS 13, it should be noted that the Group does not hold significant positions in financial instruments classified in the fair value hierarchy 3, with the exception of exposures in preferred shares of Visa INC class "C" and class "A", for which reference should be made to the paragraph "Equity Instrument and Derivative contracts listed" above.

A.4.3 Fair value hierarchy

The IFRS 13 principle establishes a fair value hierarchy according to the observability of the input used in the valuation techniques adopted.

The fair value hierarchy level associated with assets and liabilities shall be the lowest level among those associated to all significant inputs used. As a rule, an input of valuation is not considered significant for the fair value of an instrument if the remaining inputs are able to explain most of the variance of the fair value over a period of three months. In some specific cases, the magnitude of the limit is verified in relation to the fair value of the instrument at the measurement date.

In particular, three levels are considered:

- Level 1: the fair value of instruments classified in this level is determined by quotation prices observed in active markets for identical assets or liabilities that the Group has access to at the measurement date. An active market is an active market if transactions in the asset or liability being valued occur frequently and in sufficient volume to provide useful pricing information on an ongoing basis;
- Level 2: the fair value for instruments classified within this level is determined according to valuation models using observable market inputs, other than market prices already included in Level 1. Inputs are considered observable if they are developed on the basis of information available to the market regarding current events or transactions and reflect the assumptions that market counterparties would use to value the asset or liability;
- Level 3: the fair value of instruments classified in this level is determined on the basis of valuation models using primarily significant inputs, other than those included in Level 1 and Level 2, that are not observable in active markets. The unobservable inputs must, however, reflect the assumptions that market participants would use in valuing the asset or liability, including assumptions about risk.

The transfer of the fair value level of financial assets and liabilities measured at fair value on a recurring basis may occur if the inputs used by the valuation model change (e.g. if a quotation on an active market is no longer available for an instrument). If a valuation technique that uses inputs from different levels of the hierarchy is used to measure an instrument, the instrument is classified entirely in the same level of the hierarchy as the lowest level input that is significant to the measurement. A valuation input is not considered significant for the purposes of assigning the fair value hierarchy if the remaining inputs determine 90% of the fair value of the instrument.

A.4.4 Other information

No information is required to be disclosed with respect to the requirements of IFRS 13 paragraphs 48, 93(i) and 96.

Part A – Accounting policies

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 level of fair value

(Amounts in € thousand)

Assets/Liabilities at fair value	06/30/2025			12/31/2024		
	L1	L2	L3	L1	L2	L3
1. Financial assets at fair value through profit or loss	44,255	3,712	3,984	24,767	5,345	4,047
a) financial assets held for trading	42,489	3,712	23	23,171	5,345	23
b) financial assets designated at fair value	-	-	-	-	-	-
c) other financial assets mandatorily at fair value	1,766	-	3,961	1,596	-	4,024
2. Financial assets at fair value through other comprehensive income	300,694	-	54	296,356	-	54
3. Hedging derivatives	-	610,194	-	-	677,547	-
4. Property, plant and equipment	-	-	-	-	-	-
5. Intangible assets	-	-	-	-	-	-
Total	344,949	613,906	4,038	321,123	682,892	4,101
1. Financial liabilities held for trading	24,048	2,413	3	6,612	1,515	3
2. Financial liabilities designated at fair value	-	-	-	-	-	-
3. Hedging derivatives	-	45,488	-	-	48,485	-
Total	24,048	47,901	3	6,612	50,000	3

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

During the first half 2025, there were no significant transfers of financial assets between fair value hierarchy 1 and 2.

No Credit Value Adjustment (CVA) and/or Debit Value Adjustment (DVA) was applied in determining the fair value of derivative financial instruments.

The Russia-Ukraine military conflict has not affected fair value measurement. In particular, as far as securities on which the Group holds a relevant share are concerned, decreases or withdrawals of prices listed in active markets (level 1) or any other observable inputs (level 2) have not been recorded so far, nor have securities changes in fair value hierarchy.

Part A – Accounting policies

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: breakdown by level of fair value

(Amounts in € thousand)

Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis	06/30/2025				12/31/2024			
	BV	L1	L2	L3	BV	L1	L2	L3
1. Financial assets at amortised cost	31,371,821	23,860,854	219,173	6,555,853	29,728,119	22,110,002	85,626	6,580,462
2. Tangible assets held for investment	-	-	-	-	-	-	-	-
3. Non-current assets and disposal groups classified as held for sale	-	-	-	-	-	-	-	-
Total	31,371,821	23,860,854	219,173	6,555,853	29,728,119	22,110,002	85,626	6,580,462
1. Financial liabilities at amortised cost	32,345,449	807,728	33,263	31,507,190	31,649,742	804,686	32,958	30,806,158
2. Liabilities included in disposal group classified as held for sale	-	-	-	-	-	-	-	-
Total	32,345,449	807,728	33,263	31,507,190	31,649,742	804,686	32,958	30,806,158

Key:

L1 = Level 1 - L2 = Level 2 - L3 = Level 3 - BV = Book Value

As previously described, assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis are presented on the basis of their fair value and fair value hierarchy for the sole purpose of meeting financial statement disclosure requirements.

Part A – Accounting policies

A.5 Day-one profit/loss

Financial instruments must be initially recognised at fair value.

Normally, the fair value of a financial instrument, at the date of initial recognition, is equal to the price paid/amount paid for the acquisition of the financial assets or the amount received for the financial liabilities. This assertion is generally found in the case of transactions referring to financial instruments belonging to the level 1 and also level 2 fair value hierarchy, considering that the prices are normally derived indirectly from the market.

In the case of level 3, on the other hand, there is a partial discretion in the determination of fair value, but due to the absence of an unequivocal benchmark to be compared with the transaction price, initial recognition must always be at the transaction price. In the latter case, however, the subsequent measurement cannot include the difference between the price paid/amount disbursed and the fair value found at the time of the initial measurement, also referred to as “Day one profit/loss”. This difference must be recognised in profit or loss only if it arises from changes in the factors on which market participants base their valuations in setting prices.

The adoption of prudent valuation models, the review processes thereof and their parameters, as well as value adjustments to reflect model risk ensure that the amount recognised in the income statement is not derived from the use of unobservable valuation parameters. In particular, the quantification of value adjustments related to model risk ensures that the part of the fair value of these instruments resulting from the adoption of subjective parameters is not recognised through profit or loss, but rather as an adjustment to their balance sheet value. Variations shall be recognized through profit or loss only where objective parameters prevail and, consequently, adjustments are no longer required.

There are no day-one profits/losses to disclose in accordance with paragraph 28 of IFRS 7.

Part B - Consolidated Balance Sheet

Assets

Section 1 - Cash and cash balances - Item 10

1.1 Cash and cash balances: breakdown

(Amounts in € thousand)

	Total 06/30/2025	Total 12/31/2024
a) Cash	151	5
b) Current accounts and demand deposits to Central banks	1,278,388	1,688,889
c) Current accounts and demand deposits to banks	325,401	273,982
Total	1,603,940	1,962,876

The item "b) Current accounts and demand deposits to Central banks" refers to the overnight deposit and the liquidity deposited to Bank of Italy, net of the reserve requirement, which is represented in the item "Financial assets at amortized cost: loans to banks".

Item "c) Current accounts and demand deposits to banks" consists of current accounts opened with credit institutions mainly for the settlement of transactions on payment circuits, for the settlement of securities transactions and derivatives contracts and for the management of Fineco AM's liquidity.

Part B - Consolidated Balance Sheet

Section 2 - Financial assets at fair value through profit or loss - Item 20

2.1 Financial assets held for trading: product breakdown

(Amounts in € thousand)

Items/Amounts	Total 06/30/2025			Total 12/31/2024		
	L1	L2	L3	L1	L2	L3
A. Balance sheet assets						
1. Debt securities	-	-	-	13	-	-
1.1 Structured securities	-	-	-	13	-	-
1.2 Other debt securities	-	-	-	-	-	-
2. Equity instruments	39,069	-	-	22,100	-	-
3. Units in investment funds	-	-	23	1	-	23
4. Loans	-	-	-	-	-	-
4.1 Reverse repos	-	-	-	-	-	-
4.2 Others	-	-	-	-	-	-
Total (A)	39,069	-	23	22,114	-	23
B. Derivative instruments						
1. Financial derivatives	3,420	3,712	-	1,057	5,345	-
1.1 Trading	3,420	3,712	-	1,057	5,345	-
1.2 Linked to fair value option	-	-	-	-	-	-
1.3 Others	-	-	-	-	-	-
2. Credit derivatives	-	-	-	-	-	-
2.1 Trading	-	-	-	-	-	-
2.2 Linked to fair value option	-	-	-	-	-	-
2.3 Others	-	-	-	-	-	-
Total (B)	3,420	3,712	-	1,057	5,345	-
Total (A+B)	42,489	3,712	23	23,171	5,345	23

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

Equities in the proprietary portfolio are mainly used for managerial hedging of open equity derivatives contracts held in counterpart to customers and, to a lesser extent, may arise from internalisation activities and are intended to be traded in the short term.

Financial derivatives include to the positive valuation of CFD contracts traded against customers, as well as derivative contracts regulated or settled with institutional counterparties for the purpose of managerial hedging such derivative contracts, Knock Out Options and Certificates issued, for a total amount of € 3,723 thousand (€ 5,200 thousand as at December 31st, 2024).

Sub-item B.1.1 "Derivative instruments - Trading financial derivatives" also includes the positive valuations of spot contracts for securities that meets the definition of held for trading and currencies to be settled in times established by market practices ("regular way"). They amounted to € 3,409 thousand (€ 1,202 thousand as at December 31st, 2024).

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2.5 Other financial assets mandatorily at fair value: product breakdown

(Amounts in € thousand)

Items/Accounts	Total 06/30/2025			Total 12/31/2024		
	L1	L2	L3	L1	L2	L3
1. Debt securities	62	-	-	57	-	-
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	62	-	-	57	-	-
2. Equity instruments	-	-	3,961	1	-	4,024
3. Units in investment funds	1,704	-	-	1,538	-	-
4. Loans	-	-	-	-	-	-
4.1 Reverse repos	-	-	-	-	-	-
4.2 Others	-	-	-	-	-	-
Total	1,766	-	3,961	1,596	-	4,024

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

The equity instruments included in "Other financial assets mandatorily at fair value" primarily consist of the Visa INC class "A" preferred shares, for an amount of € 2,131 thousand, and of the Visa INC class "C" preferred shares, for an amount of € 1,817 thousand. The Units in investment funds are held by the subsidiary Fineco AM in the amount of € 1,704 thousand.

For more details on the fair value measurement of financial instruments, please refer to Part A - Accounting Policies - A.4 Information on the fair value of these notes to the accounts.

Equity securities of issuers in default were classified by the Group as non-performing in the financial statements for an amount not relevant.

Part B - Consolidated Balance Sheet

Section 3 - Financial assets at fair value through comprehensive income - Item 30

3.1 Financial assets at fair value through comprehensive income: product breakdown

(Amounts in € thousand)

Item/Amounts	Total 06/30/2025			Total 12/31/2024		
	L1	L2	L3	L1	L2	L3
1. Debts securities	300,694	-	-	296,356	-	-
1.1 Structured securities	-	-	-	-	-	-
1.2 Other debt securities	300,694	-	-	296,356	-	-
2. Equity instruments	-	-	54	-	-	54
3. Loans	-	-	-	-	-	-
Total	300,694	-	54	296,356	-	54

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

"Financial assets at fair value through other comprehensive income" consist of securities issued by Sovereign and Supranational institutions and, residually, of equity interests in companies in which the Group does not exercise control or significant influence for 54 thousand for which the "FVTOCI"¹¹ option was exercised. For more details, see the information on exposures in securities issued by Sovereign set out in Part E of the notes to the accounts.

3.3 Financial assets at fair value through comprehensive income: gross value and total impairment provision

(Amounts in € thousand)

	Gross amount					Impairment provision				Partial write-offs
	Stage 1 of which: low credit risk	Stage 2	Stage 3	Purchased or originated credit- impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit- impaired	
Debt securities	300,725	-	-	-	-	(30)	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-	-
Total 06/30/2025	300,725	-	-	-	-	(30)	-	-	-	-
Total 12/31/2024	296,386	-	-	-	-	(30)	-	-	-	-

¹¹ With regard to non-trading equity instruments, IFRS 9 provides for the possibility of classifying them at fair value recognised in the other components of the comprehensive income statement (so-called "FVTOCI" - Fair Value Through Other Comprehensive Income).

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Section 4 - Financial assets at amortised cost – Item 40

4.1 Financial assets at amortized cost: product breakdown of receivables to banks

(Amounts in € thousand)

Type of transaction/Values	Total 06/30/2025						Total 12/31/2024					
	Book value			Fair value			Book value			Fair value		
	Stage 1 and Stage 2	Stage 3	Purchased or originated credit-impaired	L1	L2	L3	Stage 1 and Stage 2	Stage 3	Purchased or originated credit-impaired	L1	L2	L3
A. Receivables to Central Banks	298,742	-	-	-	-	298,742	283,355	-	-	-	-	283,355
1. Time deposits	-	-	-	X	X	X	-	-	-	X	X	X
2. Compulsory reserves	298,742	-	-	X	X	X	283,355	-	-	X	X	X
3. Reverse repos	-	-	-	X	X	X	-	-	-	X	X	X
4. Others	-	-	-	X	X	X	-	-	-	X	X	X
B. Receivables to banks	2,403,997	-	-	2,111,558	87,559	120,379	2,225,159	-	-	1,945,987	85,626	87,378
1. Loans	120,379	-	-	-	-	120,379	87,378	-	-	-	-	87,378
1.1. Current accounts	-	-	-	X	X	X	-	-	-	X	X	X
1.2. Time deposits	77,120	-	-	X	X	X	63,624	-	-	X	X	X
1.3. Other loans	43,259	-	-	X	X	X	23,754	-	-	X	X	X
- Reverse repos	43	-	-	X	X	X	292	-	-	X	X	X
- Finance leases	-	-	-	X	X	X	-	-	-	X	X	X
- Others	43,216	-	-	X	X	X	23,462	-	-	X	X	X
2. Debts securities	2,283,618	-	-	2,111,558	87,559	-	2,137,781	-	-	1,945,987	85,626	-
2.1. Structured	-	-	-	-	-	-	-	-	-	-	-	-
2.2. Other	2,283,618	-	-	2,111,558	87,559	-	2,137,781	-	-	1,945,987	85,626	-
Total	2,702,739	-	-	2,111,558	87,559	419,121	2,508,514	-	-	1,945,987	85,626	370,733

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

"Reverse repos" do not include the technical form of securities lending with collateral consisting of other securities or without collateral. These transactions are shown under "off-balance sheet" transactions in table A.1.4 in Part E - Information on risks and related hedging policies - Section 2 - Risks of the prudential consolidation - Quantitative information of these notes to the accounts.

The item "Other loans: Other" refers for € 34,483 thousand to the amount of initial and variation margins and collateral deposits placed with credit institutions (€ 9,697 thousand as at December 31st, 2024) and for € 8,681 thousand to current receivables associated with the provision of financial services (€ 13,522 thousand as at December 31st, 2024).

Financial assets at amortised cost are presented based on their fair value and fair value hierarchy for the sole purpose of fulfilling disclosure requirements. For further details, see paragraph "A.4 - Fair value disclosures" in Part A - Accounting policies of these notes to the accounts.

Part B - Consolidated Balance Sheet

4.2 Financial asset at amortised cost: product breakdown of receivables to customers

(Amounts in € thousand)

Type of transaction/Values	Total 06/30/2025						Total 12/31/2024					
	Book value			Fair value			Book value			Fair value		
	Stage 1 and Stage 2	Stage 3	Purchased or originated credit-impaired	L1	L2	L3	Stage 1 and Stage 2	Stage 3	Purchased or originated credit-impaired	L1	L2	L3
1. Loans	6,161,309	7,719	-	-	-	6,136,732	6,231,526	4,117	-	-	-	6,209,729
1.1. Current accounts	2,137,351	5,513	-	X	X	X	2,051,186	1,782	-	X	X	X
1.2. Reverse repos	131,367	-	-	X	X	X	158,316	73	-	X	X	X
1.3. Mortgages	2,217,013	1,577	-	X	X	X	2,309,858	1,676	-	X	X	X
1.4. Credit cards, personal loans and wage assignment	841,390	598	-	X	X	X	873,717	575	-	X	X	X
1.5. Lease loans	-	-	-	X	X	X	-	-	-	X	X	X
1.6. Factoring	-	-	-	X	X	X	-	-	-	X	X	X
1.7. Other loans	834,188	31	-	X	X	X	838,449	11	-	X	X	X
2. Debt securities	22,500,054	-	-	21,749,296	131,614	-	20,983,962	-	-	20,164,015	-	-
2.1. Structured	-	-	-	-	-	-	-	-	-	-	-	-
2.2. Other	22,500,054	-	-	21,749,296	131,614	-	20,983,962	-	-	20,164,015	-	-
Total	28,661,363	7,719	-	21,749,296	131,614	6,136,732	27,215,488	4,117	-	20,164,015	-	6,209,729

Key:

L1 = Level 1

L2 = Level 2

L3 = Level 3

The item "Reverse repos" does not include the technical form of securities lending with collateral consisting of other securities or without collateral. These transactions are shown under "off-balance sheet" transactions in table A.1.5 in Part E - Information on risks and related hedging policies - Section 2 - Risks of the prudential consolidation - Quantitative information of these notes to the accounts.

The item "Other loans" mainly includes loans granted to Cronos Vita Assicurazioni S.p.A., for a balance sheet amount of € 554,857 thousand (€ 527,411 thousand as at December 31st, 2024), guarantee deposits, initial and variation margins, in the amount of € 118,937 thousand (€ 155,553 thousand as of December 31st, 2024), and operating receivables related to the provision of financial services, in the amount of € 155,025 thousand (€ 151,521 thousand as of December 31st, 2024). Current receivables associated with the provision of financial services also include current receivables from financial advisors, some of which relate to terminated financial advisors.

Debt securities mainly consist of securities issued by Sovereign, by Supranational institutions and local authorities. For more details, see the information on exposures in securities issued by sovereign set out in Part E of the notes to the accounts.

Financial assets and liabilities may be offset when the company currently has a legal right to offset the recognised amounts and intends to settle for the net residual, or realise the asset and settle the liability simultaneously, as required by IAS 32.

In addition to complying with IAS 32, the Group offsets financial assets and liabilities only when:

- the transactions have the same explicit final settlement date;
- the right to set off the amount due to the counterparty against the amount due from the counterparty is legally enforceable in the ordinary course of business and in the event of default, insolvency or bankruptcy;
- either the counterparties intend to settle on a net basis or simultaneously, or the transactions are subject to a settlement mechanism that functionally results in the equivalent of net settlement.

In the table above, repo transactions entered into on the Repo MTS market and settled through a Central Counterparty have been shown netted.

Notes to the accounts

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Financial assets at amortised cost are presented on the basis of their fair value and fair value hierarchy for the sole purpose of fulfilling disclosure requirements. For further details, see paragraph "A.4 - Fair value disclosures" in Part A - Accounting policies of these notes to the accounts.

4.4 Financial assets at amortised cost: gross value and total impairment provision

(Amounts in € thousand)

(Amounts in € thousand)											
		Gross amount					Impairment provision				Partial write-offs
		Stage 1	of which: low credit risk	Stage 2	Stage 3	Purchased or originated credit- impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit- impaired	
Debt securities		24,788,041	-	-	-	-	(4,369)	-	-	-	-
Loans		6,537,159	-	53,330	30,299	-	(4,671)	(5,388)	(22,580)	-	-
	Total 06/30/2025	31,325,200	-	53,330	30,299	-	(9,040)	(5,388)	(22,580)	-	-
	Total 12/31/2024	29,691,241	-	46,129	27,721	-	(8,345)	(5,023)	(23,604)	-	-

Section 5 – Hedging derivatives – Item 50

5.1 Hedging derivatives: breakdown by type of hedge and by level

(Amounts in € thousand)

	Fair Value 06/30/2025				NA 06/30/2025	Fair Value 12/31/2024				NA 12/31/2024
	L1	L2	L3			L1	L2	L3		
A. Financial derivatives										
1. Fair value	-	610,194	-	7,240,115	-	-	677,547	-	8,620,346	-
2. Cash flows	-	-	-	-	-	-	-	-	-	-
3. Net investment in foreign subsidiaries	-	-	-	-	-	-	-	-	-	-
B. Credit derivatives										
1. Fair value	-	-	-	-	-	-	-	-	-	-
2. Cash flows	-	-	-	-	-	-	-	-	-	-
Total	-	610,194	-	7,240,115	-	-	677,547	-	8,620,346	-

Key:

NA = notional amount

L1 = Level 1

L2 = Level 2

L3 = Level 3

Part B - Consolidated Balance Sheet

Section 6 – Changes in fair value of portfolio hedged financial assets – Item 60

6.1 Fair value change of hedged assets: breakdown by hedged portfolio

(Amounts in € thousand)

Fair value of hedged assets/Amounts	Total 06/30/2025	Total 12/31/2024
1. Positive changes	460	3,338
1.1 of specific portfolios:	460	3,338
a) financial assets at amortized cost	460	3,338
b) financial assets at fair value through other comprehensive income	-	-
1.2 overall	-	-
2. Negative changes	(157,527)	(153,613)
2.1 of specific portfolios	(157,527)	(153,613)
a) financial assets at amortized cost	(157,527)	(153,613)
b) financial assets at fair value through other comprehensive income	-	-
2.2 overall	-	-
Total	(157,067)	(150,275)

Section 8 – Insurance assets – Item 80

No data to report.

Part B - Consolidated Balance Sheet

Section 9 - Property, plant and equipment - Item 90

9.1 Property, plant and equipment used in the business: breakdown of assets carried at cost

(Amounts in € thousand)

Assets/Amounts	Total 06/30/2025	Total 12/31/2024
1. Owned assets	91,040	90,186
a) lands	23,932	23,932
b) buildings	38,077	38,777
c) office furniture and fittings	2,639	2,723
d) electronic system	21,647	20,733
e) other	4,745	4,021
2. Assets under financial lease	53,134	56,110
a) lands	170	213
b) buildings	52,381	55,316
c) office furniture and fittings	-	-
d) electronic system	-	-
e) other	583	581
Total	144,174	146,296
of which: obtained through enforcement of the guarantees received	-	-

A description of the methods used to calculate depreciation is provided in Part A – Accounting Policies in the Notes to the consolidated accounts of the Financial Report as of 31st December, 2024.

The Group has operational leasing transactions in place consisting of leases of the surface of the property owned.

With reference to the property owned by FinecoBank for business use, in order to assess whether there are indications that the asset may have suffered an impairment loss, the Bank, at the closing of the consolidated interim financial statement as of 30th June, 2025, requested an appraisal from an independent third-party company which did not reveal any evidence that would require impairment losses pursuant IAS 36.

9.2 Property, plant and equipment held for investment: breakdown of assets carried at cost

No data to report.

9.3 Property, plant and equipment used in the business: breakdown of revalued assets

No data to report.

9.4 Property, plant and equipment held for investment: breakdown of assets measured at fair value

No data to report.

9.5 Inventories of property, plant and equipment regulated by IAS 2: breakdown

No data to report.

Part B - Consolidated Balance Sheet

9.9 Commitments for the purchase of tangible assets

As at 30th June, 2025, the Group had contractual commitments to purchase property, plant and equipment amounting to €2,840 thousand. We also report that there are no restrictions on the ownership of tangible assets and there are no tangible assets pledged as security for liabilities.

Section 10 - Intangible assets - Item 100

10.1 Intangible assets: breakdown by assets type

(Amounts in € thousand)

Activities/Values	Total 06/30/2025		Total 12/31/2024	
	Finite life	Indefinite life	Finite life	Indefinite life
A.1 Goodwill	X	89,602	X	89,602
A.1.1 attributable to the group	X	89,602	X	89,602
A.1.2 attributable minorities	X	-	X	-
A.2 Other intangible asset	7,120	27,459	7,783	27,459
of which: software	7,120	-	7,782	-
A.2.1 Assets valued at cost:	7,120	27,459	7,783	27,459
a) Intangible assets generated internally	-	-	-	-
b) Other assets	7,120	27,459	7,783	27,459
A.2.2 Assets valued at fair value:	-	-	-	-
a) Intangible assets generated internally	-	-	-	-
b) Other assets	-	-	-	-
Total	7,120	117,061	7,783	117,061

Other intangible assets with an indefinite life relate to the Fineco brands and domains.

The useful life of software, considered for the calculation of amortisation, is 3 years, while the useful life of other intangible assets with definite life is 5 years. A description of the methods used to calculate depreciation is provided in Part A – Accounting Policies of Notes to the consolidated accounts at December 31st, 2024

With regard to the considerations conducted as of June 30th, 2025 regarding the impairment test of intangible assets with finite life and indefinite life, specifically goodwill, Fineco trademarks and domains, there are no indicators that would require adjustments to the related carrying amounts. For further details regarding the impairment test of intangible assets with indefinite useful lives, please refer to the paragraphs below.

10.3 Intangible assets: other information

As of June 30th, 2025 the contractual commitments for purchase of intangible assets amount to € 133 thousand.

We also report that there were no intangible assets acquired through government concession; no intangible assets were used as collateral for own debts; no intangible assets were held under a finance lease; and there were no revalued intangible assets.

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Other information – Intangible assets indefinite life Impairment test

Under IAS 36, impairment testing of intangible assets with indefinite useful lives must be performed at least annually and, in any case, whenever there is objective evidence of the occurrence of events that may have reduced their value.

Recoverable value is the greater of the value in use (present value of future cash flows generated by the asset being valued) and the associated fair value, net of sales costs. It is not always necessary to determine both fair value and value in use. If either value is higher than the carrying amount, the asset is not impaired and it is not necessary to estimate the other amount.

The recoverable value of the assets subject to impairment testing must be determined for the individual assets, unless both of the following conditions exist:

- the value in use of the asset is not estimated to be close to the fair value net of selling costs;
- the asset does not generate incoming cash flows largely independent of those coming from other assets (or group of assets).

If these conditions exist, the impairment test is conducted at the level of the Cash Generating Unit (CGU) of the asset, as required by the accounting principle.

According to IAS 36, when determining the value in use of assets subject to impairment testing, reference must be made to the cash flows of assets in their current conditions at the testing date and representing the best estimate by the management of the overall economic conditions in place during the residual useful life of the asset.

For the purposes of impairment testing, the value in use of the cash generating unit (CGU) to which the intangible assets assigned must be calculated considering the cash flows for all the assets and liabilities included in the CGU and not just those for which goodwill and/or the intangible asset has been recognised upon application of IFRS 3.

Definition of CGU

Estimating the value in use for the purposes of any impairment testing of intangible assets, including goodwill, which do not independently generate cash flows, but only in conjunction with other business assets, requires that these assets first be attributed to operating units that are relatively autonomous in the business context (from the points of view of independent cash flows generated and of internal planning and reporting). These operating units are defined as Cash Generating Units (CGU).

Goodwill recorded in these consolidated financial statements, deriving from the separate financial statements of the Bank, relates to buy-outs of divisions or companies engaged in trading activities or the distribution of financial, banking and insurance products through personal financial advisors. These activities have been fully integrated with FinecoBank's ordinary operations, as a result it is not possible to isolate the contribution of each company/business division from the Bank's overall income; this means that to establish the recoverability of the value of goodwill recognised in the financial statements it is necessary to take account of the Bank's comprehensive income.

The cash generating unit (CGU) to be considered for the impairment test is therefore the Bank as a whole (including the contribution from the subsidiary Fineco AM, an asset management company incorporated under Irish law, thanks a vertically integrated business model). In view of the specific business model adopted by the Group, which envisages a high level of integration between personal financial advisors and the trading and banking platform, so that the financial advisors network is an integral part of the overall offering of the Bank, which includes banking, brokerage and investing services, an allocation of costs/revenues per business units is not considered relevant or meaningful. The Fineco brand and domains purchased during the year 2019 from UniCredit S.p.A. are attributed to the same CGU following the exit from the related group.

Estimating cash flows to determine the value in use of the CGU

The applicable accounting principles require that the impairment test be carried out by comparing the book value of the CGU to its recoverable value. When the latter proves to be less than the book value, a write-down must be recorded in the financial statements. The recoverable value is the greater of its fair value (net of sales costs) and the related value in use. The recoverable amount of the CGU in this value in use, determined on the basis of future cash flows.

Impairment test model

The calculation of the value in use for the purposes of impairment testing is made using the Discounted Cash Flow (DCF) model. The cash flows are determined by subtracting the annual capital requirement generated by the change in the risk-weighted assets from net profit. This capital requirement is determined by considering the long-term capitalisation to be achieved, also in light of the minimum regulatory capital requirements.

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Impairment test results

With regard to the results of the impairment test, it should be noted that as of June 30th, 2025 there were no indicators of impairment of goodwill and Fineco brands and domains recorded in the financial statements. In this regard, it should be noted that as of June 30th, 2025, the Bank has assessed that the changes reasonably estimated in the prospective data used as of December 31st, 2024 are not such as to have a significant impact on the outcome, positive, of the impairment test carried out with reference to that date, the results of which confirmed the sustainability of the goodwill recorded in the financial statements, not showing in any of the hypothesized scenarios the need for impairment, confirming a value in use significantly higher than the book value. It should also be noted that the value "FinecoBank" shares resulted in a market capitalization of € 11,519 million as of June 30th, 2025, markedly higher than the Bank's assets and the results provided by the model used for the impairment test, which confirms the implementation of prudent criteria for calculation of the value in use.

For more details on the impairment test and related sensitivity analysis, please refer to Part B - Information on the Consolidated Balance Sheet - Section 10 - Intangible Assets of the Notes to the consolidated accounts at December 31st, 2024.

Section 11 - Tax Assets and Tax Liabilities - Asset item 110 and liability item 60

The item "Tax assets" amounting to € 30,275 thousand at June 30th, 2025, it is made of "Deferred tax assets" for € 30,095 thousand, already net of the set-off against "Deferred tax liabilities" for € 7,231 and "Current tax assets" for € 180 thousand.

The item "Tax liabilities" amounting to € 11,148 thousand at the same date, it is exclusively made of "Current tax liabilities", already net of the set-off against first tax advances 2025. There are no "Deferred tax liabilities" as they are offset against "Deferred tax assets" for € 7,231 thousand.

Current Tax Assets and Liabilities

(Amounts in € thousand)

Assets/Amounts	Total 06/30/2025	Total 12/31/2024
Current tax assets	180	-
Current tax liabilities	11,148	19,519

Deferred tax assets/liabilities

Deferred tax assets/liabilities are shown in the consolidated Balance Sheet net of the related deferred tax liabilities/assets; the detail is as follows:

- "Deferred tax assets" of € 34,067 thousand recognized as a balancing entry in the income statement;
- "Deferred tax assets" of € 3,259 thousand recognized as a balancing entry of shareholders' equity;
- "Deferred tax liabilities" of € 5,206 thousand recognized as a balancing entry in the income statement;
- "Deferred tax liabilities" of € 2,025 thousand recognized as a balancing entry of shareholders' equity.

In accordance with the law and regulations currently in force:

- the recognition of deferred tax assets for IRES income tax purposes takes into account the expected income figures of the Group for future years, according to the decisions made by the competent company bodies;
- the recognition of deferred tax assets for IRAP corporate tax purposes takes place on the basis of the Group's expected income figures for future years, and takes into account changes in the legal context;
- deferred tax liabilities are recognised whenever the relevant requirements are satisfied.

When calculating current and deferred tax assets/liabilities, a 27.5% IRES rate was used (24% standard rate and 3.5% additional rate for banks), as well as IRAP rate of 5.57% for Italy. Regarding Fineco AM, current taxes were calculated using a 12.5% rate. The 2.5% increase was also applied in compliance with provisions concerning the entry into force of the so-called Pillar Two provisions, implementing Directive 2022/2523, were also applied.

There are no deferred tax assets/liabilities not recognized in the financial statements in relation to temporary differences. Furthermore, there are no unused tax losses.

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Deferred tax recoverability test

In accordance with the provisions of IAS 12 and the ESMA communication of July 15, 2019, the Fineco Group has recognized deferred tax assets (DTAs), subject to verification that the values thus recognized are supported by an assessment of the probability of recover. In making this assessment, applicable tax provisions and the Group's ability to generate future taxable income were taken into account. To this end, the DTAs were subjected to a recoverability test based on the provisions of the relevant Fineco Global Policy.

The forward-looking income statement estimates used in the model are derived from the income statement figures expressed in accordance with IAS/IFRS international accounting principles. The forward-looking time horizon depends on the expected reversals of the DTAs and is constructed by considering: (i) the budget approved by the Board of Directors for the first projection year, (ii) the latest official projections approved by the Board of Directors for the subsequent period, and (iii) the income statement estimate for the remaining projection years by linearly converging growth rates to long-term growth. The test is based on the official projections in the multi-year plan and/or annual budget, which therefore express the most reliable view of the company's development, as approved by the Board of Directors. Starting from the income statement estimates thus determined, the related forward-looking taxable base is calculated by applying tax adjustments and in accordance with the methodology typically applied in the analytical calculation of the final taxable base. Furthermore, the model is periodically updated based on changes in the relevant tax legislation. Based on the evaluation exercise conducted with the described model, the test determined the full sustainability of the deferred tax assets recorded in the balance sheet assets arising from temporary differences for both IRES and IRAP purposes.

11.1 Deferred tax assets: breakdown

(Amounts in € thousand)

Assets/Amounts	Total 06/30/2025	Total 12/31/2024
Allocations through profit or loss	33,200	55,615
- of which Patent Box ex D.L. n.3/2015	-	21,186
- of which Provisions for Risks and Charges	22,146	23,631
- of which Realignment of goodwill art. 110 of D.L. n. 104/2020	9,305	9,398
- of which Other	1,749	1,400
Allocations through equity	3,259	3,444
- of which Revaluation reserve application IAS 19	1,946	1,983
- of which Financial assets at fair value through comprehensive income	1,313	1,461
Impairment losses on receivables (of which pursuant to Law 214/2011)	867	867
Total before IAS 12 offset	37,326	59,926
Offset against deferred tax liabilities - IAS 12	(7,231)	(6,676)
Total	30,095	53,250

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11.2 Deferred tax liabilities: breakdown

(Amounts in € thousand)

Assets/Amounts	Total 06/30/2025	Total 12/31/2024
Allocations through profit or loss	5,206	4,767
- of which Goodwill and Brand	5,144	4,704
- of which Other	62	63
Allocations through equity	2,025	1,909
- of which Revaluation reserve application IAS 19	511	511
- of which Financial assets at fair value through comprehensive income	1,514	1,398
Total before IAS 12 offset	7,231	6,676
Offset against deferred tax assets - IAS 12	(7,231)	(6,676)
Total	-	-

Section 12 - Non-current assets and disposal groups classified as held for sale and associated liabilities - Assets item 120 and liabilities item 70

No data to report.

Part B - Consolidated Balance Sheet

Section 13 – Other assets – Item 130

13.1 Other assets: breakdown

(Amounts in € thousand)

	Total 06/30/2025	Total 12/31/2024
Trade receivables according to IFRS15	7,786	7,746
Tax credits purchased	847,707	1,259,059
Current receivables not related with the provision of financial services	3,689	4,183
Receivables due to disputed items not deriving from lending	129	129
Notes, cheques and other documents to be settled	8,867	3,890
Improvement and incremental expenses incurred on leasehold assets	2,238	2,051
Definitive items not recognised under other items	9,803	3,930
Tax items other than those included in the item "Tax assets":	226,029	389,993
- tax advances	224,968	387,052
- tax credit	1,061	2,941
Items in processing:	13,338	13,174
- POS, Bancomat and Visa debit	13,316	13,154
- others	22	20
Items in transit not allocated to relevant accounts	54	5
Accrued income and prepaid expenses other than those related to contracts to customers and other than capitalised in related financial assets or liabilities	30,385	22,531
Accrued income and prepaid expenses related to contracts with customers other than capitalised in related financial assets or liabilities	96,664	90,923
Securities and coupons to be settled	1,748	3,013
Transactions to be charged to customers' credit cards	28,837	13,290
Totale	1,277,274	1,813,917

Tax credits purchased include the carrying amount of tax credits purchased under Decree-Law 34/2020 and subsequent amendments. They include both the tax credits acquired following their transfer by the direct beneficiaries and those acquired following their transfer by previous purchasers. The decrease compared to the carrying amount as at December 31st, 2024 is mainly due to the amounts offset during the first half of 2025.

Please note that the item "Accrued income and prepaid expenses related to contracts with customers other than capitalised in related financial assets or liabilities" includes assets arising from contracts recognized in accordance with IFRS 15. In this context, accrued income represents the portion of the "performance obligation" already satisfied and the proceeds of which will be paid in subsequent financial years, while prepaid expenses represent the incremental costs incurred to obtain contracts that will be amortized in subsequent financial years.

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Liabilities

Section 1 - Financial liabilities at amortised cost - Item 10

1.1 Financial liabilities at amortised cost: product breakdown due to banks

(Amounts in € thousand)

Transactions type/Amounts	Total 06/30/2025				Total 12/31/2024			
	Fair Value				Fair Value			
	BV	L1	L2	L3	BV	L1	L2	L3
1. Due to central banks	-	X	X	X	-	X	X	X
2. Due to banks	859,635	X	X	X	850,600	X	X	X
2.1 Other current accounts and demand deposits	433	X	X	X	1,947	X	X	X
2.2 Time deposits	-	X	X	X	-	X	X	X
2.3 Loans	269,575	X	X	X	184,414	X	X	X
2.3.1 Repos	269,575	X	X	X	184,414	X	X	X
2.3.2 Other	-	X	X	X	-	X	X	X
2.4 Liabilities relating of commitments to repurchase treasury shares	-	X	X	X	-	X	X	X
2.5 Lease liabilities	3,344	X	X	X	3,237	X	X	X
2.6 Other liabilities	586,283	X	X	X	661,002	X	X	X
Total	859,635	-	-	859,635	850,600	-	-	850,600

Key:

BV = Book value

L1 = Level 1

L2 = Level 2

L3 = Level 3

Item 2.3.1 "Loans - Repos" does not include the technical form of securities lending with collateral consisting of other securities or without collateral. These transactions are shown under "off-balance sheet" in table A.1.4 in Part E - Information on risks and related hedging policies - Section 2 - Risks of the prudential consolidation - Quantitative information of these notes to the accounts.

Item 2.6 Other liabilities mainly includes variation margins received for derivative transactions.

Financial liabilities at amortised cost are presented on the basis of their fair value and fair value hierarchy for the sole purpose of fulfilling disclosure requirements. For further details, see paragraph "A.4 – Information on fair value" in Part A - Accounting policies of these notes to the accounts.

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1.2 Financial liabilities at amortised cost: product breakdown due to customers

(Amounts in € thousand)

Transactions type/Amounts	Total 06/30/2025				Total 12/31/2024			
	Fair Value				Fair Value			
	BV	L1	L2	L3	BV	L1	L2	L3
1. Current accounts and demand deposits	29,141,614	X	X	X	28,517,922	X	X	X
2. Time deposits	884,965	X	X	X	1,115,411	X	X	X
3. Loans	397,099	X	X	X	107,557	X	X	X
3.1 Reverse repos	397,099	X	X	X	107,557	X	X	X
3.2 Other	-	X	X	X	-	X	X	X
4. Liabilities relating of commitments to repurchase treasury shares	-	X	X	X	-	X	X	X
5. Lease payables	51,890	X	X	X	54,935	X	X	X
6. Other liabilities	205,312	X	X	X	193,089	X	X	X
Total	30,680,880	-	33,263	30,647,555	29,988,914	-	32,958	29,955,558

Key:

BV = Book value

L1 = Level 1

L2 = Level 2

L3 = Level 3

The item 3.1 "Loans – Reverse repos" does not include the technical form of securities lending with collateral consisting of other securities or without collateral. These transactions are shown under "off-balance sheet" transactions in table A.1.5 in Part E - Information on risks and related hedging policies - Section 2 - Risks of the prudential consolidation - Quantitative information of these notes to the accounts.

Financial assets and liabilities may be offset when the company currently has a legal right to offset the amounts recognised in the accounts and intends to settle for the net residual, or realise the asset and settle the liability at the same time, as required by IAS 32.

In addition to complying with IAS 32, the Bank only offsets financial assets and liabilities when:

- the transactions have the same explicit final settlement date;
- the right to set off the amount due to the counterparty against the amount due from the counterparty is legally enforceable in the ordinary course of business and in the event of default, insolvency or bankruptcy;
- either the counterparties intend to settle on a net basis or simultaneously, or the transactions are subject to a settlement mechanism that functionally results in the equivalent of net settlement.

In the table above, repo transactions entered into on the Repo MTS market and settled through a Central Counterparty have been shown netted.

Financial liabilities measured at amortised cost are presented on the basis of their fair value and fair value hierarchy for the sole purpose of fulfilling disclosure requirements. For further details, see paragraph "A.4 – Information on fair value" in Part A - Accounting policies of these notes to the accounts.

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1.3 Financial liabilities at amortised cost: product breakdown of debt securities in issue

(Amounts in € thousand)

Type of securities/Values	Total 06/30/2025				Total 12/31/2024							
	Fair Value			BV	Fair Value			BV				
	L1	L2	L3	L1	L2	L3	L1	L2	L3			
A. Debts securities including bonds												
1. bonds	804,934	807,728	-	-	810,228	804,686	-	-				
1.1 structured	-	-	-	-	-	-	-	-				
1.2 other	804,934	807,728	-	-	810,228	804,686	-	-				
2. other securities	-	-	-	-	-	-	-	-				
2.1 structured	-	-	-	-	-	-	-	-				
2.2 other	-	-	-	-	-	-	-	-				
Total	804,934	807,728	-	-	810,228	804,686	-	-				

Key:

BV = Book value

L1 = Level 1

L2 = Level 2

L3 = Level 3

Financial liabilities measured at amortised cost are presented on the basis of their fair value and fair value hierarchy for the sole purpose of fulfilling disclosure requirements. For further details, see paragraph "A.4 – Information on fair value" in Part A - Accounting policies of these notes to the accounts.

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Section 2 - Financial liabilities held for trading - Item 20

2.1 Financial liabilities held for trading: product breakdown

(Amounts in € thousand)

Transactions type/Amounts	Total 06/30/2025					Total 12/31/2024				
	Fair Value					Fair Value				
	NA		Fair Value *			NA		Fair Value *		
	L1	L2	L3			L1	L2	L3		
A. Cash liabilities										
1. Deposits from banks	-	-	-	-	-	-	-	-	-	-
2. Deposits from customers	3	1,114	-	3	1,117	33	1,004	-	3	1,007
3. Debt securities	-	-	-	-	X	-	-	-	-	X
3.1 Bonds	-	-	-	-	X	-	-	-	-	X
3.1.1 Structured	-	-	-	-	X	-	-	-	-	X
3.1.2 Other bonds	-	-	-	-	X	-	-	-	-	X
3.2 Other securities	-	-	-	-	X	-	-	-	-	X
3.2.1 Structured	-	-	-	-	X	-	-	-	-	X
3.2.2 Others	-	-	-	-	X	-	-	-	-	X
Total (A)	3	1,114	-	3	1,117	33	1,004	-	3	1,007
B. Derivatives										
1. Financial derivatives	X	22,934	2,413	-	X	X	5,608	1,515	-	X
1.1 Trading derivatives	X	22,934	2,413	-	X	X	5,608	1,515	-	X
1.2 Related to the fair value option	X	-	-	-	X	X	-	-	-	X
1.3 Other	X	-	-	-	X	X	-	-	-	X
2. Credits derivatives	X	-	-	-	X	X	-	-	-	X
2.1 Trading derivatives	X	-	-	-	X	X	-	-	-	X
2.2 Linked to fair value option	X	-	-	-	X	X	-	-	-	X
2.3 Other	X	-	-	-	X	X	-	-	-	X
Total (B)	X	22,934	2,413	-	X	X	5,608	1,515	-	X
Total (A+B)	X	24,048	2,413	3	X	X	6,612	1,515	3	X

Key:

NA = notional amount

L1 = Level 1

L2 = Level 2

L3 = Level 3

FV* = Fair value calculated excluding the changes in value due to the change in the issuer's credit rating since the issue date

Financial derivatives refer to the negative valuation of CFD, Knock Out Options and Certificates issued, as well as derivative contracts regulated or settled with institutional counterparties used for the managerial hedging of the above mentioned derivatives. They amounted to € 22,282 thousand (€ 6,144 thousand as at December 31st, 2024).

Sub-item B.1.1 "Derivative instruments - Trading financial derivatives" includes the negative valuations of spot contracts for securities that meets the definition of held for trading and currencies to be settled in times established by market practices ("regular way"). They amounted to € 3,065 thousand (€ 979 thousand as at December 31st, 2024).

Notes to the accounts

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Section 3 - Financial liabilities designated at fair value - Item 30

No data to report.

Section 4 - Hedging derivatives - Item 40

4.1 Hedging derivatives: breakdown by type of hedge and by level

(Amounts in € thousand)

	Fair value 06/30/2025			NA 06/30/2025	Fair value 12/31/2024			NA 12/31/2024
	L1	L2	L3		L1	L2	L3	
A. Financial derivatives	-	45,488	-	1,718,500	-	48,485	-	1,511,302
1) Fair value	-	45,488	-	1,718,500	-	48,485	-	1,511,302
2) Cash flows	-	-	-	-	-	-	-	-
3) Net investment in foreign subsidiaries	-	-	-	-	-	-	-	-
B. Credit derivatives	-	-	-	-	-	-	-	-
1) Fair value	-	-	-	-	-	-	-	-
2) Cash flows	-	-	-	-	-	-	-	-
Total	-	45,488	-	1,718,500	-	48,485	-	1,511,302

Key:

NA = notional amount

L1 = Level 1

L2 = Level 2

L3 = Level 3

Section 5 – Changes in fair value of portfolio hedged financial liabilities - Item 50

5.1 Changes to macro-hedged financial liabilities

(Amounts in € thousand)

Adjustments to the value of hedged liabilities/Components of the group	Total 06/30/2025	Total 12/31/2024
1. Positive changes to financial liabilities	1,340	2,579
2. Negative changes to financial liabilities	(3,186)	(5,743)
Total	(1,846)	(3,164)

Section 6 – Tax liabilities – Item 60

See section 11 of assets.

Section 7 – Liabilities included in disposal groups classified as held for sale – Item 70

See section 12 of assets.

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Section 8 – Other liabilities - Item 80

8.1 Other liabilities: breakdown

(Amounts in € thousand)

Items/Amounts	Total 06/30/2025	Total 12/31/2024
Payables to Directors and Statutory auditors	165	262
Payables to employees	21,323	20,093
Outgoing bank transfers	160,485	117,271
Social security contributions payable	7,650	9,193
Current payables not related to the provision of financial services	39,120	46,348
Payables for share-based payments	-	81
Payment authorisations to be settled	122,863	26,643
Payment orders issued by customers and other transactions to be settled	7,989	7,268
Definitive items not recognised under other items	7,311	6,395
Tax items other than those included in the item "Tax liabilities":	63,787	120,542
- sums withheld from third parties as withholding agent	49,956	78,300
- other	13,831	42,242
Illiquid items for portfolio transactions	12,967	8,389
Items in processing:	1,289	3,552
- incoming bank transfers	968	2,609
- other items in processing	321	943
Accrued expenses and deferred income other than those related to contracts with customers and other than capitalised on the related financial assets or liabilities	1,492	209
Deferred income related to contracts with customers other than those capitalised on the related financial assets or liabilities	17,108	17,620
Sums available to be paid to customers	23,625	3,730
Securities and coupons to be settled	18,334	18,735
Credit card transactions to be settled with circuits	14,170	-
POS, ATM and Visa Debit transactions to be settled with circuits	45	27
Total	519,723	406,358

Please note that the item "Accrued expenses and deferred income other than those related to contracts with customers and other than capitalised on the related financial assets or liabilities" includes liabilities arising from contracts recognized in accordance with IFRS 15. In this context, deferred income represents the portion of the "performance obligation" not yet satisfied, but for which the proceeds have already been collected during the financial year or in previous financial years, while accrued expenses represent costs incurred to obtain contracts that will be settled in subsequent financial years.

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Section 9 - Provisions for employee severance pay - Item 90

9.1 Provisions for employee severance pay: annual changes

(Amounts in € thousand)

	Total 06/30/2025	Total 12/31/2024
A. Opening balance	4,364	4,378
B. Increases	71	143
B.1 Provision of the year	71	143
B.2 Other increases	-	-
C. Decreases	(378)	(157)
C.1 Severance payments	(245)	(118)
C.2 Other decreases	(133)	(39)
D. Closing balance	4,057	4,364
Total	4,057	4,364

Item C.2 Other decreases includes the decrease in provisions for employee severance pay as a result of the actuarial valuation, performed in accordance with IAS 19 Revised, recognised as an offsetting entry to revaluation reserves.

The following table shows the main actuarial assumptions used to remeasure the liability at 30th June, 2025 compared with those used at 31st December, 2024.

Description of the main actuarial assumptions	06/30/2025	12/31/2024
Discount rate	3.75%	3.40%
Expected inflation rate	1.85%	2.00%

Section 10 - Provisions for risks and charges - Item 100

10.1 Provisions risk and charges: breakdown

(Amounts in € thousand)

Items/Components	Total 06/30/2025	Total 12/31/2024
1. Provisions for credit risk of commitments and financial guarantees given	76	56
2. Provisions for other commitments and other guarantees given	-	-
3. Provisions for retirement payments and similar obligations	-	-
4. Other provisions for risks and charges	164,329	166,015
4.1 legal and tax disputes	25,717	25,317
4.2 staff expenses	4,464	8,171
4.3 other	134,148	132,527
Total	164,405	166,071

Item 4.1 "legal and tax disputes" mainly includes provisions made to cover complaints and disputes for damage to customers arising from the unlawful behaviour of the Bank's financial advisors, provisions relating to pending disputes with financial advisors (generally employment related) and other ongoing court and out-of-court litigation with customers, in relation to normal banking activities, and other parties for € 25,331 thousand (€ 24,727

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thousand as at December 31st, 2024) and provisions for tax disputes (penalties and interest) for € 387 thousand (€ 590 thousand as at December 31st, 2024). In addition to the costs incurred by the Group in the event of an unfavourable conclusion of the dispute, this provision includes the estimate of the costs to be paid to legal advisors and any technical consultants and/or experts who assist the Group in ongoing disputes. This estimate was determined by the Group in relation to the ongoing litigation to the extent that it is believed that they will not be reimbursed by the counterparties, mainly on the basis of the Forensic Tariffs envisaged by current legislation.

Item 4.2 "staff expenses" includes, mainly, the provisions made for the variable remuneration not included in specific contractual agreements to be paid to employees in subsequent years, which have an uncertain due date and/or amount.

Item 4.3 "Other" includes the Supplementary customer indemnity provision, for € 121,809 thousand (€ 118,460 thousand as at December 31st, 2024), Contractual Indemnity Fund for € 243 thousand (€ 238 thousand as at December 31st, 2024) and other provisions made for risks related to the Group's business and operations, for € 12,095 thousand (€ 13,829 thousand as at December 31st, 2024), including, in particular, the obligations arising from the cost rebalancing agreement that the Parent Company signed with the other distributing banks as part of the operation aimed at protecting Cronos formerly Eurovita policyholders and the provisions made for training events for personal financial advisors.

10.3 Funds for credit risk related to release financial obligations and warranties

(Amounts in € thousand)

	Funds for credit risk related to financial obligation and warranties release				Total
	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired	
1. Loan commitments given	65	1	8	-	74
2. Financial guarantees given	2	-	-	-	2
Total	67	1	8	-	76

10.4 Provisions on other commitments and other guarantees given

No data to report.

10.5 Pensions and other post-retirement defined-benefit obligations

No data to report.

Notes to the accounts

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10.6 Provisions for risks and charges - other provisions

(Amounts in € thousand)

	Total 06/30/2025	Total 12/31/2024
Legal and fiscal disputes	25,717	25,317
- Pending cases	22,616	22,291
- Complaints	2,714	2,436
- Tax disputes	387	590
Staff expenses	4,464	8,171
Others	134,148	132,527
- Supplementary customer indemnity provision	121,809	118,460
- Provision for contractual payments	243	238
- Other provisions	12,096	13,829
Total provisions for risks and charges - other provisions	164,329	166,015

(Amounts in € thousand)

Provisions for risks and charges	Total 12/31/2024	Uses	Transfers and other changes	Actuarial gains (losses) IAS 19R *	Net provisions**	Total 06/30/2025
Legal and fiscal disputes	25,317	(1,218)	-	-	1,618	25,717
- Pending cases	22,291	(972)	90	-	1,207	22,616
- Complaints	2,436	(43)	(90)	-	411	2,714
- Tax disputes	590	(203)	-	-	-	387
Staff expenses	8,171	(7,925)	-	-	4,218	4,464
Others	132,527	(4,496)	-	(654)	6,771	134,148
- Supplementary customer indemnity provision	118,460	(1,533)	-	(654)	5,536	121,809
- Provision for contractual payments	238	-	-	-	5	243
- Other provisions	13,829	(2,963)	-	-	1,230	12,096
Total provisions for risks and charges - other provisions	166,015	(13,639)	-	(654)	12,607	164,329

* The item "IAS 19R actuarial gains (losses)" includes the actuarial gains (losses) recognised in the item "Revaluation reserves" in application of IAS 19R.

** The item "Net provisions" includes the costs recognised in their own income statement item to better reflect their nature (e.g. "Staff expenses", "Administrative costs" and "Interest expenses and similar charges").

Net provisions include reallocations charged to the income statement for € 2,031 thousand relating to amounts recognised as provisions in previous years and unused.

The following table shows the main actuarial assumptions used to measure the liability for the supplementary customer indemnity provision as of June 30th, 2025, compared with those used as of December 31st, 2024.

Description of the main actuarial assumptions	06/30/2025	12/31/2024
Discount rate	3.75%	3.40%
Rate salary increase	5.00%	5.00%

For further information and details on the amount, timing and uncertainty of financial flows (sensitivity), please refer to the Consolidated Financial Statements at December 31, 2024.

The **Provision for legal disputes** includes provisions made to cover complaints and disputes for damage to customers arising from the unlawful behaviour of the Bank's financial advisors, provisions relating to pending disputes with financial advisors (generally employment-related) and other ongoing court and out-of-court litigation with customers, in relation to normal banking activities, and other parties. In addition to the costs incurred by the Group in the event of an unfavourable conclusion of the dispute, this provision includes the estimate of the costs to be paid to legal advisors and any technical consultants and/or experts who assist the Group in ongoing disputes to the extent that it is believed that they will not be reimbursed by

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the counterparties. This estimate was determined by the Group in relation to the ongoing litigation, mainly on the basis of the Forensic Tariffs envisaged by current legislation. For each provision, the likely timing of the outflow is assessed, which is estimated based on available information or, in its absence, on experience gained, for example, regarding the average duration of legal proceedings and arbitration proceedings involving the Company. For further details, please refer to Part E – Information on risks and relating hedging policies – Section 1.5 – Operational risk – paragraph “Risks arising from significant legal disputes” in the notes to the accounts.

The **Provision for tax disputes** is allocated to cover tax demands received from the Italian Revenue Agency following tax audits carried out on the Bank over the years, in relation to which the Bank considers it has calculated the tax correctly and legitimately and has therefore submitted an appeal at various levels of proceedings. The above provisions for risks and charges include the allocations for penalties and interest for the additional tax being contested and requested by the Tax Authorities through tax bills or payment notices paid and for the estimated amount of legal expenses to be incurred in the various proceedings. For more details, see Part E – Information on risks and hedging policies – Section 1.5 – Operational risk – paragraph “Risks arising from tax disputes and audits” of these Notes to the accounts.

The **Provision for staff expenses** includes provisions made for variable remuneration not included in specific contractual agreements to be paid to employees in subsequent years which have an uncertain due date and amount.

The **Supplementary customer indemnity provision** is accrued to cover the amount of severance indemnity to be paid to the network financial advisors pursuant to art. 1751 of the Italian Civil Code, in the event of termination of the contract for reasons not attributable to the advisor, such as, for example, when reaching retirement age. The amount of the obligation at the end of the period was assessed with the aid of an independent actuary, in accordance with the provisions of IAS 19 and using the “Projected Unit Credit Method”, which involves the projection of future disbursements based on historical statistical analyses and the demographic curve and the financial discounting of these flows based on a market interest rate.

The **Provision for contractual payments**, relating to a specific cluster of financial advisors, is constituted against a special indemnity that the Bank agrees to pay to financial advisors, who opted to transfer the rights and obligations arising from their contract with the Bank to third parties, where these advisors continue to keep an ethical and professional conduct with the Bank after termination of employment, with specific regard to the customer portfolio. The amount of the obligation at the end of the period relating to contractual payments was assessed with the aid of an independent actuary and using the “Projected Unit Credit Method”, but since the amount is not significant, the valuation is carried out annually.

The **Other Provisions** are mainly allocated to cover the risks related to the business and operations of the Group, including, in particular, the obligations arising from the cost rebalancing agreement that the Parent Company signed with the other distributing banks as part of the operation aimed at protecting Cronos formerly Eurovita policyholders described above and the provisions for training events for financial advisors. The expected timing of the outflow is estimated by considering the expected payment date for the individual obligation for which a provision has been recognized.

Section 11 – Insurance liabilities – Item 110

No data to report.

Section 12 - Redeemable shares - Item 130

No data to report.

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Section 13 - Group Shareholders' equity - Items 120, 130, 140, 150, 160, 170 and 180

13.1 "Share capital" and "Treasury shares": breakdown

As at June 30, 2025, share capital came to € 201,820 thousand, comprising 611,575,321 ordinary shares with a par value of € 0.33 each.

The Board of Directors of FinecoBank on February 5, 2025, considering the favourable opinion of the Remuneration Committee meeting on February 4, 2025, approved the allocation of:

- the allocation of 212,210 free ordinary shares to the beneficiaries of the 2025 share tranche of the 2018-2020 Long-Term Incentive Plan for employees awarded in 2018;
- the allocation of 184,547 free ordinary shares to the beneficiaries of the 2025 share tranche of the 2021-2023 Long-Term Incentive Plan for employees awarded in 2021;
- the allocation of 179,137 free ordinary shares to the beneficiaries of the 2025 share tranche of the 2019 Incentive System, the 2020 Incentive System, the 2021 Incentive System, the 2022 Incentive System and the 2023 Incentive System;

and, consequently, a free capital increase effective from March 31st, 2025 for a total amount of € 190 thousand. As a result of the aforementioned capital increases, the available profit reserve was reduced, in particular, the reserve related to the medium-long term incentive scheme for FinecoBank's personnel, established with the Extraordinary Reserve, was used.

As at June 30th, 2025, the Group, in particular the Parent Company FinecoBank, held in the portfolio 81,682 FinecoBank ordinary shares, in order to execute the PFA incentive plans of the Bank, corresponding to 0.013% of the share capital, for an amount of € 1,280 thousand. During first half 2025 n. 53,680 shares, for an amount of € 969 thousand, were purchased in relation to the 2024 PFA Incentive System for personal financial advisors identified as "Key personnel" and n. 19,004, n. 5,493, n. 22,507, and n. 6,194 FinecoBank ordinary shares held in the portfolio were assigned to financial advisors respectively in execution to the 2021, 2022 and 2023 and to the PFA Incentive System and 2018-2020 Long Term Incentive Plan, for an amount of € 772 thousand.

(Amounts in € thousand)

	Total 06/30/2025	Total 12/31/2024
Share capital	201,820	201,630
Share premium reserve	1,934	1,934
Reserves	1,241,967	1,053,594
(Treasury shares)	(1,280)	(1,082)
Revaluation reserves	(17,988)	(19,049)
Equity instruments	500,000	500,000
Net Profit (Loss) for the year	317,836	652,285
Total	2,244,289	2,389,312

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13.2 Share capital - Number of shares of the Parent Company: annual changes

Items/Type	Ordinary	Others
A. Shares outstanding at the beginning of the year	610,918,227	-
- fully paid	610,999,427	-
- not fully paid	-	-
A.1 treasury shares (-)	(81,200)	-
A.2 Shares outstanding: Opening balance	610,918,227	-
B. Increases	629,092	-
B.1 New issues	575,894	-
- against payment:	-	-
- business combination	-	-
- bonds converted	-	-
- warrants exercised	-	-
- others	-	-
- free:	575,894	-
- to employees	575,894	-
- to directors	-	-
- others	-	-
B.2 Sales of treasury shares	-	-
B.3 Other changes	53,198	-
C. Decreases	(53,680)	-
C.1 Cancellation	-	-
C.2 Purchase of treasury shares	(53,680)	-
C.3 Business transferred	-	-
C.4 Other changes	-	-
D. Shares outstanding: closing balance	611,493,639	-
D.1 Treasury shares (+)	81,682	-
D.2 Shares outstanding at the end of the year	611,575,321	-
- fully paid	611,575,321	-
- not fully paid	-	-

The item B.3 "Other changes" reports the shares allocated to the personal financial advisors identifies as "Identified Staff" under the stock granting plans 2021, 2022 and 2023 and 2018-2020 Long Term Incentive Plan.

13.3 Share capital: other information

The shares are not subject to any right, privilege or constraint; there are no shares reserved for issue under option and sales contracts.

Part B - Consolidated Balance Sheet

13.4 Reserves from allocation of profit from previous years: other information

The reserves from profits consist of the:

- Legal reserve, amounting to € 40,364 thousand;
- Reserve for treasury shares held, amounting to € 1,280 thousand;
- Consolidation reserve, amounting to € 42,809 thousand;
- Reserves of unavailable profits pursuant to article 6 paragraph 2 of Legislative Decree 38/2005, for an amount equal to € 1,953 thousand;
- Non-distributable reserve pursuant to Article 26, Section 5-bis of Decree-Law No. 104 of 10 August 2023, in the amount of € 30,479 thousand;
- other reserves from profits, amounting to € 1,071,171 thousand, of which € 86,354 thousand subject to a taxability restriction in the event of distribution, allocated following the tax realignment of goodwill provided for by article 110 of Decree-Law 104 of 2020.

As previously mentioned in para. 13.1 "Share capital and Treasury shares: breakdown", the Board of Directors of FinecoBank held on 5th February, 2025 approved execution of the incentive/loyalty systems with a consequent increase in share capital, against with the reserves from profits have been reduced for an amount of € 190 thousand, in particular the reserve related to the medium/long-term incentive scheme for FinecoBank's personnel, set up with the available Extraordinary Reserve, was used. The extraordinary reserve was also used for the payment of costs directly attributable to the aforementioned capital increase operations, for an amount of € 8 thousand net of the related taxes.

As previously mentioned in para. 13.1 "Share capital and Treasury shares: breakdown", during first half 2025 n. 53,680 shares, for an amount of € 969 thousand, were purchased in relation to the 2024 PFA Incentive System for financial advisors identified as "Key personnel" and n. 19,004, n. 5,493, n. 22,507, and n. 6,194 FinecoBank ordinary shares held in the portfolio were assigned to financial advisors respectively in execution to the 2021, 2022 and 2023 PFA incentive system and 2018-2020 Long Term Incentive Plan for Financial Advisors Identified Staff, for an amount of € 772 thousand. Consequently, the Reserve for treasury shares increased by a total of € 198 thousand, with a simultaneous decrease in the Extraordinary reserve.

The FinecoBank Shareholders' Meeting of April 29th, 2025 approved the allocation of profit for the year 2024 of FinecoBank S.p.A. amounting to € 648,766 thousand, as follows:

- to the 611,575,321 ordinary shares with a par value of € 0.33, constituting the share capital including 575,894 shares related to the capital increase to support the employee incentive system approved by the Board of Directors on February 5, 2025, a unit dividend of € 0.74 totaling € 452,566 thousand;
- € 38 thousand to the Legal reserve, corresponding to 0.006% of the profit for the year, having reached the limit of a fifth of the share capital;
- € 196,163 thousand to the extraordinary reserves.

Pursuant to Article 6, paragraph 1, letter a) of Legislative Decree No. 38/2005, net profits cannot be distributed in an amount corresponding to capital gains recognized in the income statement, net of the related taxes, other than those attributable to trading financial instruments and foreign exchange and hedging transactions, resulting from the application of the fair value or equity method. Pursuant to Article 6, paragraph 2 of Legislative Decree No. 38/2005, such profits must be recorded in a restricted reserve. This reserve was released and allocated to the Extraordinary Reserve in the amount of €722 thousand, corresponding to the change in unrealized capital gains recognized in the 2024 financial year.

Furthermore, during the first half of 2025, the extraordinary reserve was reduced by an amount of € 13,594 thousand, corresponding to coupon, net of related taxes, paid to holders of Additional Tier1 instruments issued by the Bank and increased by the portion of dividends not distributed in respect of treasury shares held by the Bank at the record date, amounting to € 60 thousand.

Part B - Consolidated Balance Sheet

13.5 Equity instruments: breakdown and annual changes

Consolidated book shareholders' equity as at 30th June 2025 therefore only includes the Additional Tier 1 capital instrument issued by FinecoBank on March 4th, 2024 with a nominal value of € 500 million. The capital instrument is a public placement, perpetual, traded on the regulated market managed by Euronext Dublin, rated BB- (S&P Global Ratings). The coupon for the first 5.5 years was set at 7.5%.

13.6 Other information

No data to report.

Section 14 – Minority interests – Item 190

No data to report.

Part B - Consolidated Balance Sheet

OTHER INFORMATION

Table "1. Commitments and financial guarantees issued" shows the commitments and guarantees subject to valuation in accordance with IFRS 9. Table "2. Other commitments and other guarantees given" shows the commitments and guarantees that are not subject to measurement according to this standard.

1. Commitments and financial guarantees issued

(Amounts in € thousand)

	Nominal value of commitments and financial guarantees given				Total 06/30/2025	Total 12/31/2024
	Stage 1	Stage 2	Stage 3	Purchased or originated credit- impaired financial assets		
1. Commitment to supply funds	28,942	1,207	25	-	30,174	45,987
a) Central Banks	-	-	-	-	-	-
b) Public Administration	-	-	-	-	-	-
c) Banks	-	-	-	-	-	-
d) Other financial companies	37	1	-	-	38	32,551
e) Non-financial companies	22	-	-	-	22	-
f) Families	28,883	1,206	25	-	30,114	13,436
2. Financial guarantees issued	25,578	-	-	-	25,578	27,238
a) Central Banks	-	-	-	-	-	-
b) Public Administration	-	-	-	-	-	-
c) Banks	17,170	-	-	-	17,170	17,170
d) Other financial companies	-	-	-	-	-	750
e) Non-financial companies	1,935	-	-	-	1,935	1,368
f) Families	6,473	-	-	-	6,473	7,950

Commitments to disburse funds to Households mainly include securities lending transactions guaranteed by sums of money that are within the lender's full economic availability to be settled.

Financial guarantees given to banks include the guarantees issued in 2012 to the Italian Revenue Agency on request of UniCredit S.p.A., with indefinite duration, for a total amount of € 17,166 thousand (€ 17,166 thousand as at December 31, 2024).

Part B - Consolidated Balance Sheet

2. Other commitments and other guarantees given

(Amounts in € thousand)

	Nominal amount Total 06/30/2025	Nominal amount Total 12/31/2024
1. Other guarantees given		
of which: impaired credit exposures	-	-
a) Central Banks	-	-
b) Governments	-	-
c) Banks	-	-
d) Other financial companies	-	-
e) Non-financial companies	-	-
f) Households	-	-
2. Other commitments	4,118,048	2,279,263
of which: impaired credit exposures	1,369	68
a) Central Banks	-	-
b) Governments	-	-
c) Banks	9,681	-
d) Other financial companies	34,317	16,040
e) Non-financial companies	3,558	3,395
f) Households	4,070,492	2,259,828

Other commitments refer to the margins available on revocable credit lines granted to customers and spot sales of securities to be settled in times established by market practices ("regular way") and, starting in the 2025 financial year, the credit limits for credit cards issued by FinecoBank. The latter have been included in the definition of commitment starting in 2025 in accordance with the entry into force of Regulation (EU) 1623/2024, which defined a commitment as any contractual agreement that an institution offers to a customer and is accepted by the customer to grant credit, purchase assets, or issue credit substitutes, as well as any such agreement that may be unconditionally cancelled by an institution at any time without notice to the borrower, or any agreement that may be cancelled by an institution if the borrower fails to comply with the conditions set forth in the credit facility documentation, including any conditions that the borrower must satisfy prior to any initial or subsequent drawdown under the agreement, except when the contractual agreements satisfy specific conditions set forth in the regulation itself.

3. Assets given as collateral for own liabilities and commitments

(Amounts in € thousand)

Portfolios	Amounts 06/30/2025	Amounts 12/31/2024
1. Financial assets at fair value through profit and loss	-	-
2. Financial assets at fair value through other comprehensive income	-	-
3. Financial assets at amortized cost	2,059,937	3,378,468
4. Property, plant and equipment	-	-
of which: Property, plant and equipment material assets that constitute inventories	-	-

Assets given as collateral for own liabilities and commitments shown in the above table refer to:

- debt securities, in particular Sovereign bonds, pledged as collateral of repos with the obligation for the buyer to resell the assets covered by the transaction upon expiration of said transaction. The securities are given as collateral for the entire duration of the transaction;
- debt securities, in particular Sovereign bonds, pledged as collateral for bankers' drafts, as guarantee for transactions with the Cassa di Compensazione e Garanzia, to guarantee the operation in foreign markets and/or as guarantee for transactions in derivatives. Securities are used as collateral until the Group decides to stop the transactions for which the collateral or guarantees are granted;
- variation margins, initial margins and collateral deposits, including the default fund, against transactions in derivative contracts and financial instruments;

Part B - Consolidated Balance Sheet

- debt securities, mainly issued by Supranational institutions, given as collateral in securities lending transactions carried out with customers. The securities are given as collateral for the entire duration of the transaction.

4. Breakdown of investments for unit-linked and index-linked policies

No data to report.

8. Securities lending transactions

The Group, in particular the Parent Bank, conducts securities lending transactions on a continuous and systematic basis, with the objective of satisfying the requests of its customers, of institutional counterparties and obtaining a profit. The Bank operates either as a borrower, borrowing securities from its customers, or as a lender, using the borrowed securities for cash-secured securities lending transactions with retail and institutional customers interested in temporary ownership of securities or lending proprietary securities, without collateral or with collateral represented by other securities, to institutional customers interested in temporary ownership.

Against securities lending transactions guaranteed by other securities carried out by the Bank as a borrower with retail customers ("remunerated Portfolio"), the Bank issued as collateral debt securities, recorded in "Financial asset at amortised cost", held in a dedicated dossier at the custodian bank for an amount higher than that of the securities borrowed by the customers, with the aim of providing a collective guarantee. The nominal value of the underlying securities received on a loan and not recognised as assets in the accounts totalled € 148,768 thousand, for a fair value of € 458,626 thousand, as detailed in the table below. Please note that securities borrowed under securities lending transactions secured by sums of money at the lender's full disposal, which are equivalent to repurchase agreements on securities, the sums of money for which are recognised in Financial assets measured at amortised cost, are excluded.

The carrying amount of own securities recognised in Financial assets at amortised cost and delivered in securities lending transactions without collateral or with collateral represented by other securities is € 2,338,052 thousand.

(Amounts in € thousand)

Securities received on loan from:	Type of securities - Nominal value as at 30 June 2025		
	Sold	Sold in repos	Other purposes
Banks			
Financial companies		415	4
Insurance companies			
Non-financial companies		806	
Other entities	561	143,595	3,387
Total nominal value	561	144,816	3,391

(Amounts in € thousand)

Securities received on loan from:	Type of securities - Fair value as at 30 June 2025		
	Sold	Sold in repos	Other purposes
Banks			
Financial companies		2,428	207
Insurance companies			
Non-financial companies		5,193	11
Other entities	1,117	425,987	23,683
Total fair value	1,117	433,608	23,901

9. Disclosure on joint control activities

No data to report.

Part C - Consolidated Income Statement

Section 1 - Interest - Items 10 and 20

1.1 Interest income and similar revenues: breakdown

(Amounts in € thousand)

Items/Technical forms				Total 06/30/2025	Total 06/30/2024
	Debt securities	Loans	Other operations		
1. Financial assets at fair value through profit and loss:	2	-	-	2	1
1.1 Financial assets held for trading	-	-	-	-	-
1.2 Financial assets designated at fair value	-	-	-	-	-
1.3 Other financial assets mandatorily at fair value	2	-	-	2	1
2. Financial assets at fair value through other comprehensive income	4,040	-	X	4,040	797
3. Financial assets at amortised cost:	153,087	88,311	X	241,398	229,060
3.1 Receivables to banks	10,382	1,712	X	12,094	12,381
3.2 Receivables to customers	142,705	86,599	X	229,304	216,679
4. Hedging derivatives	X	X	75,992	75,992	116,221
5. Other assets	X	X	39,559	39,559	73,965
6. Financial liabilities	X	X	X	5	36
Total	157,129	88,311	115,551	360,996	420,080
of which: income interests on impaired financial assets	-	140	-	140	165
of which: interest income on financial lease	X	-	X	-	-

Please note that the interest income and expenses accrued on repurchase agreements carried out by FinecoBank on the MTS Repo market, which meet the requirements set out in IAS 32, paragraph 42 for offsetting in the balance sheet, are offset in a manner similar to the transactions that gave rise to them.

Part C - Consolidated Income Statement

1.3 Interest expenses and similar charges: breakdown

(Amounts in € thousand)

Items/Technical forms	Debts	Securities	Other operations	Total 06/30/2025	Total 06/30/2024
1. Financial liabilities at amortized cost	(37,034)	(8,582)	X	(45,616)	(58,876)
1.1 Due to central banks	-	X	X	-	-
1.2 Due to banks	(11,071)	X	X	(11,071)	(20,826)
1.3 Due to customers	(25,963)	X	X	(25,963)	(29,430)
1.4 Debt securities in issue	X	(8,582)	X	(8,582)	(8,620)
2. Financial liabilities held for trading	-	-	-	-	-
3. Financial liabilities designated at fair value	-	-	-	-	-
4. Other liabilities and provisions	X	X	-	-	(1)
5. Hedging derivatives	X	X	-	-	-
6. Financial assets	X	X	X	(502)	(534)
Total	(37,034)	(8,582)	-	(46,118)	(59,411)
of which: interest expenses on lease liabilities	(807)	X	X	(807)	(784)

Please note that the interest income and expenses accrued on repurchase agreements carried out by FinecoBank on the MTS Repo market, which meet the requirements set out in IAS 32, paragraph 42 for offsetting in the balance sheet, are offset in a manner similar to the transactions that gave rise to them.

Part C - Consolidated Income Statement

Section 2 – Commissions - Items 40 and 50

2.1 Commission income: breakdown

(Amounts in € thousand)

Type of service/Values	Total 06/30/2025	Total 06/30/2024
a) Financial instruments	88,791	79,285
1. Securities placement	9,272	9,162
1.1 Under firm assumption and/or on the basis of an irrevocable commitment	-	-
1.2 Without firm commitment	9,272	9,162
2. Receipt and transmission of orders and execution for customers	61,130	54,571
2.1 Receipt and transmission of orders for one or more financial instruments	11,208	10,181
2.2 Execution of orders on behalf of customers	49,922	44,390
3. Other fees connected with activities related to financial instruments	18,389	15,552
of which: trading on own account	18,389	15,552
of which: management of individual portfolios	-	-
b) Corporate Finance	-	-
1. Merger and Acquisition Advice	-	-
2. Treasury services	-	-
3. Other fees associated with corporate finance services	-	-
c) Investment advisory activities	50,495	43,345
d) Clearing and settlement	-	-
e) Collective Portfolio Management	203,922	188,174
f) Custody and administration	488	323
1. Custodian bank	-	-
2. Other fees related to custody and administration	488	323
g) Central administrative services for collective portfolio management	-	-
h) Trust business	-	-
i) Payment services	40,783	40,446
1. Current accounts	7,154	6,646
2. Credit cards	18,014	18,363
3. Debit and other payment cards	10,950	9,112
4. Wire transfers and other payment orders	4,665	6,325
5. Other fees related to payment services	-	-
j) Distribution of third party services	158,714	149,070
1. Collective portfolio management	94,508	90,496
2. Insurance products	61,708	55,099
3. Other products	2,498	3,475
of which: individual portfolio management	2,012	2,074
k) Structured Finance	-	-
l) Servicing for securitization transactions	-	-
m) Commitments to disburse funds	-	-
n) Financial guarantees issued	57	54
of which: credit derivatives	-	-
o) Financing operations	176	183
of which: for factoring transactions	-	-
p) Currency trading	-	-
q) Goods	-	-
r) Other commission income	464	559
of which: for management activities of multilateral trading systems	-	-
of which: for management activities of organized trading systems	-	-
s) Securities lending transactions	4,374	4,705
Total	548,264	506,144

Part C - Consolidated Income Statement

Commission income includes, where applicable, the amount of variable consideration determined in accordance with IFRS 15.

It should be noted that item j) "Distribution of third party services 1. Collective portfolio management" also includes the maintenance commissions for UCIT units equal to € 87,111 thousand (€ 84,525 thousand in first half 2024).

With regard to securities lending transactions, it is specified that if the securities lent generate a dividend or similar revenue, the Group collects a substitute revenue from the borrower. If the Group has in turn received the securities on borrow, for the purposes of financial statement presentation, these income components are offset against the substitute income paid by the Group to the lender.

2.2 Commission expenses: breakdown

(Amounts in € thousand)

Services/Amounts	Total 06/30/2025	Total 06/30/2024
a) Financial instruments	(8,096)	(6,479)
of which: trading of financial instruments	(8,096)	(6,479)
of which: placement of financial instruments	-	-
of which: management of individual portfolios	-	-
- Own	-	-
- Delegated to third parties	-	-
b) Clearing and settlement	(3,331)	(3,409)
c) Management of collective portfolios	(16,295)	(16,371)
1. Own	-	-
2. Delegated to third parties	(16,295)	(16,371)
d) Custody and administration	(3,348)	(2,595)
e) Payment and collection services	(16,191)	(15,479)
of which: credit cards, debit cards and other payment cards	(11,870)	(11,066)
f) Servicing activities for securitization transactions	-	-
g) Commitments to receive funds	-	-
h) Financial guarantees received	-	-
of which: credit derivatives	-	-
i) Off-site offering of financial instruments, products and services	(215,056)	(198,479)
j) Currency trading	-	-
k) Other commission expenses	(5,668)	(4,328)
l) Securities lending transactions	(1,086)	(993)
Total	(269,071)	(248,133)

Item "i) Off-site offering of financial instruments, products and services", includes costs incurred in relation to Equity Settled plans assigned to personal financial advisors, that are respectively recorded against the item 150. "Reserves" of the net equity for an amount of € 516 thousand (€ 329 thousand as of 30 June 2024).

With regard to securities lending transactions, it is specified that if the borrowed securities generate a dividend or similar revenue, the Group returns a substitute revenue to the lender. For financial statement purposes, these income components are offset against the dividends or similar revenue received by the Group on the securities held or, if the Group has itself delivered the securities on loan, against the substitute income collected from the borrower.

Part C - Consolidated Income Statement

Section 3 – Dividend income and similar revenue – Item 70

3.1 Dividend income and similar revenues: breakdown

(Amounts in € thousand)

Items/Income	Total 06/30/2025		Total 06/30/2024	
	Dividends	Similar revenues	Dividends	Similar revenues
A. Financial assets held for trading	388	-	79	1
B. Other financial assets mandatorily at fair value	15	-	20	-
C. Financial assets at fair value through other comprehensive income	-	-	-	-
D. Equity investments	-	-	-	-
Total	403	-	99	1

It should be noted that if the borrowed securities generate dividends or similar revenue, the Group returns a substitute revenue to the lender. For financial statement purposes, these income components are offset against each other. Therefore, the table above does not reflect dividends or similar income received from borrowed securities, which, in turn, were paid to the lender via a substitute income.

Section 4 – Gains (losses) on financial assets and liabilities held for trading – Item 80

4.1 Gains (losses) on financial assets and liabilities held for trading: breakdown

As at June 30, 2025

(Amounts in € thousand)

Transactions/Income items	Unrealised gain (A)	Realized gains (B)	Unrealized losses (C)	Realized losses (D)	Net profit (loss) [(A+B) - (C+D)]
1. Financial assets held for trading	861	40,832	(265)	(31,869)	9,559
1.1 Debt securities	-	2,477	-	(2,015)	462
1.2 Equity instruments	861	37,848	(265)	(29,456)	8,988
1.3 UCITS units	-	507	-	(398)	109
1.4 Loans	-	-	-	-	-
1.5 Others	-	-	-	-	-
2. Financial liabilities held for trading	3	588	(38)	(722)	(169)
2.1 Debt securities	-	-	-	-	-
2.2 Payables	-	-	-	-	-
2.3 Others	3	588	(38)	(722)	(169)
3. Financial assets and liabilities: exchange differences	X	X	X	X	15,695
4. Derivatives	10,016	168,614	(10,857)	(142,708)	27,381
4.1 Financial derivatives:	10,016	168,614	(10,857)	(142,708)	27,381
- On debt securities and interest rates	322	977	(328)	(952)	19
- On equity securities and share indices	9,182	147,664	(10,258)	(125,602)	20,986
- On currency and gold	X	X	X	X	2,316
- Others	512	19,973	(271)	(16,154)	4,060
4.2 Credit derivatives	-	-	-	-	-
of which: natural hedges related to the fair value option	X	X	X	X	-
Total	10,880	210,034	(11,160)	(175,299)	52,466

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As at June 30, 2024

(Amounts in € thousand)

Transactions/Income items	Unrealised gain (A)	Realized gains (B)	Unrealized losses (C)	Realized losses (D)	Net profit (loss) [(A+B) - (C+D)]
1. Financial assets held for trading	94	23,408	(355)	(16,017)	7,130
1.1 Debt securities	-	1,358	-	(1,216)	142
1.2 Equity instruments	94	21,746	(355)	(14,534)	6,951
1.3 UCITS units	-	304	-	(267)	37
1.4 Loans	-	-	-	-	-
1.5 Others	-	-	-	-	-
2. Financial liabilities held for trading	15	732	(15)	(1,198)	(466)
2.1 Debt securities	-	-	-	-	-
2.2 Payables	-	-	-	-	-
2.3 Others	15	732	(15)	(1,198)	(466)
3. Financial assets and liabilities: exchange differences	X	X	X	X	12,226
4. Derivatives	8,286	105,822	(7,937)	(88,758)	19,643
4.1 Financial derivatives:	8,286	105,822	(7,937)	(88,758)	19,643
- On debt securities and interest rates	204	1,077	(188)	(1,090)	3
- On equity securities and share indices	7,890	90,721	(7,605)	(76,653)	14,353
- On currency and gold	X	X	X	X	2,230
- Others	192	14,024	(144)	(11,015)	3,057
4.2 Credit derivatives	-	-	-	-	-
of which: natural hedges related to the fair value option	X	X	X	X	-
Total	8,395	129,962	(8,307)	(105,973)	38,533

Part C - Consolidated Income Statement

Section 5 – Fair value adjustments in hedge accounting – Item 90

5.1 Fair value adjustments in hedge accounting: breakdown

(Amounts in € thousand)

Income items/Amounts	Total 06/30/2025	Total 06/30/2024
A. Gains on:		
A.1 Fair value hedging instruments	15,120	115,123
A.2 Hedged asset items (in fair value hedge relationship)	53,910	3,382
A.3 Hedged liability items (in fair value hedge relationship)	1,239	4,982
A.4 Cash-flow hedging derivatives	-	-
A.5 Assets and liabilities denominated in currency	-	-
Total gains on hedging activities (A)	70,269	123,487
B. Losses on:		
B.1 Fair value hedging instruments	(55,923)	(8,402)
B.2 Financial assets items (in fair value hedge relationship)	(12,442)	(105,085)
B.3 Hedged liability items (in fair value hedge relationship)	(2,557)	(11,337)
B.4 Cash-flow hedging derivatives	-	-
B.5 Assets and liabilities denominated in currency	-	-
Total losses on hedging activities (B)	(70,922)	(124,824)
C. Fair value adjustments in hedge accounting (A-B)	(653)	(1,337)
of which: net profit (loss) on net position	-	-

Part C - Consolidated Income Statement

Section 6 – Gains (Losses) on disposals/repurchases – Item 100

6.1 Gains (Losses) on disposals/repurchases: breakdown

(Amounts in €
thousand)

Items/Income items	Total 06/30/2025			Total 06/30/2024		
	Gain	Losses	Net profit (loss)	Gain	Losses	Net profit (loss)
Financial assets						
1. Financial assets at amortized cost	3,122	(3,921)	(799)	7,449	(5,690)	1,759
1.1 Receivables to banks	-	(1,017)	(1,017)	-	(4,571)	(4,571)
1.2 Receivables to customers	3,122	(2,904)	218	7,449	(1,119)	6,330
2. Financial assets at fair value through other comprehensive income	-	-	-	-	-	-
2.1 Debt securities	-	-	-	-	-	-
2.2 Loans	-	-	-	-	-	-
Total assets (A)	3,122	(3,921)	(799)	7,449	(5,690)	1,759
Financial liabilities valued at amortized cost	-	-	-	-	-	-
1. Due to banks	-	-	-	-	-	-
2. Due to customers	-	-	-	-	-	-
3. Debt securities in issue	-	-	-	-	-	-
Total liabilities (B)	-	-	-	-	-	-

It should be noted that the economic effects arising from sales of financial assets at amortised, recorded at item 100. "Gains (losses) on disposals/repurchases of: a) financial assets at amortised cost", took place in accordance with IFRS 9 and in application of the rules defined for the HTC business model.

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Section 7 – Gains (losses) on financial assets and liabilities measured at fair value through profit and loss – Item 110

7.1 Gain (losses) on financial assets and liabilities measured at fair value through profit and loss: breakdown of financial assets and liabilities designated at fair value

No data to report.

7.2 Gain (losses) on financial assets and liabilities measured at fair value through profit and loss: breakdown of other financial assets mandatorily at fair value

As at June 30, 2025

(Amounts in € thousand)

Transactions/Income items	Unrealized gain (A)	Realized gain (B)	Unrealized losses (C)	Realized losses (D)	Net Profit (loss) (A+B)-(C+D)
1. Financial assets	454	-	(55)	(8)	391
1.1 Debt securities	-	-	(1)	-	(1)
1.2 Equity securities	392	-	-	-	392
1.3 UCITS units	62	-	(54)	(8)	-
1.4 Loans	-	-	-	-	-
2. Financial assets: exchange differences	X	X	X	X	(456)
Total	454	-	(55)	(8)	(65)

As at June 30, 2024

(Amounts in € thousand)

Transactions/Income items	Unrealized gain (A)	Realized gain (B)	Unrealized losses (C)	Realized losses (D)	Net Profit (loss) (A+B)-(C+D)
1. Financial assets	49	355	(131)	-	273
1.1 Debt securities	-	-	(2)	-	(2)
1.2 Equity securities	4	347	(118)	-	233
1.3 UCITS units	45	8	(11)	-	42
1.4 Loans	-	-	-	-	-
2. Financial assets: exchange differences	X	X	X	X	139
Total	49	355	(131)	-	412

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Section 8 – Impairment /writebacks for credit risk- Item 130

8.1 Net impairment for credit risk related to financial assets at amortized cost: breakdown

(Amounts in € thousand)

Transactions/Income	Impairments (1)						Write-backs (2)				Total 06/30/2025	Total 06/30/2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit- impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit- impaired		
			Write-off	Others	Write-off	Others						
A. Receivables to banks	(100)	-	-	-	-	-	143	-	-	-	43	79
- Loans	(69)	-	-	-	-	-	109	-	-	-	40	14
- Debt securities	(31)	-	-	-	-	-	34	-	-	-	3	65
B. Receivables to customers	(2,451)	(933)	(41)	(3,810)	-	-	1,430	547	1,652	-	(3,606)	(903)
- Loans	(1,136)	(933)	(41)	(3,810)	-	-	1,131	547	1,652	-	(2,590)	(1,833)
- Debt securities	(1,315)	-	-	-	-	-	299	-	-	-	(1,016)	930
Total	(2,551)	(933)	(41)	(3,810)	-	-	1,573	547	1,652	-	(3,563)	(824)

The table above conventionally shows the net impairment for credit risk in respect of on-demand deposits to banks and central banks recognised in the item "Cash and cash balances", as ruled in Circular No. 262 "Banks' financial statements: layouts and preparation".

8.2 Net impairment for credit risk related to financial assets at fair value through other comprehensive income

(Amounts in € thousand)

Transactions/Income	Impairments (1)						Write - backs (2)				Total 06/30/2025	Total 06/30/2024
	Stage 1	Stage 2	Stage 3		Purchased or originated credit- impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit- impaired		
			Write-off	Others	Write-off	Other						
A. Debt Securities	(8)	-	-	-	-	-	8	-	-	-	-	(14)
B. Loans	-	-	-	-	-	-	-	-	-	-	-	-
- To clients	-	-	-	-	-	-	-	-	-	-	-	-
- To banks	-	-	-	-	-	-	-	-	-	-	-	-
Total	(8)	-	-	-	-	-	8	-	-	-	-	(14)

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Section 9 – Profit/loss from contract changes without cancellation – Item 140

9.1 Profit (loss) from contract changes: breakdown

(Amounts in € thousand)

Items/Income items	Total 06/30/2025			Total 06/30/2024		
	Gain	Losses	Net profit (loss)	Gain	Losses	Net profit (loss)
1. Financial assets valued at amortized cost	-	(2)	(2)	1	-	1
1.1 Receivables from banks	-	-	-	-	-	-
1.2 Receivables from customers	-	(2)	(2)	1	-	1
2. Financial assets valued at fair value through other comprehensive income	-	-	-	-	-	-
Total	-	(2)	(2)	1	-	1

Section 10 – Insurance services result – Item 160

No data to report.

Section 11 – Insurance finance income and expenses – Item 170

No data to report.

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Section 12 – Administrative expenses – Item 190

12.1 Staff expenses: breakdown

(Amounts in € thousand)

Type of expenses/Sectors	Total	Total
	06/30/2025	06/30/2024
1) Employees	(72,457)	(65,709)
a) wages and salaries	(48,499)	(43,805)
b) social security contributions	(11,766)	(10,650)
c) pension costs	(436)	(431)
d) severance pay	-	-
e) allocation to employee severance pay provision	(82)	(83)
f) provision for retirements and similar provisions:	-	-
- defined contribution	-	-
- defined benefit	-	-
g) payments to external pension funds:	(3,759)	(3,454)
- defined contribution	(3,759)	(3,454)
- defined benefit	-	-
h) costs related to share-based payments	(2,645)	(2,754)
i) other employee benefits	(5,270)	(4,532)
j) recovery of expenses for employees seconded	-	-
2) Other staffs	-	-
3) Directors and statutory auditors	(1,326)	(1,314)
4) Early retirement costs	-	-
Total	(73,783)	(67,023)

Item "1 h) Employees: costs related to share-based payments" includes costs incurred by the Group in relation to payment agreements based on financial instruments issued by the Bank, that are recorded against the item 150. "Reserves" of the net equity for an amount of € 2,645 thousand (€ 2,754 thousand as at 30th June, 2024).

12.4 Other employee benefits

(Amounts in € thousand)

Type of expense/Amounts	Total	Total
	06/30/2025	06/30/2024
Medical plan	(984)	(877)
Luncheon vouchers	(976)	(894)
Training expenses	(266)	(338)
Other	(3,044)	(2,423)
Total	(5,270)	(4,532)

The item "Other" mainly includes the cash component of benefits relating to employee incentive plans, amounting to € 2,491 thousand (€ 1,938 thousands as at 30th June, 2024).

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12.5 Other administrative expenses: breakdown

(Amounts in € thousand)

Type of expense/Amounts	Total 06/30/2025	Total 06/30/2024
1) INDIRECT TAXES AND DUTIES	(115,361)	(101,432)
A) Marketing and communication expenses	(21,160)	(20,039)
Mass media communications - Advertising, creativity and production	(16,042)	(13,714)
Other marketing and promotional expenses	(3,744)	(3,989)
Sponsorships	(1,259)	(924)
Conventions and internal communications	(115)	(1,412)
B) Expenses related to credit risk	(868)	(864)
Credit recovery expenses	(164)	(209)
Commercial information and company searches	(704)	(655)
C) Expenses related to personnel and to personal financial advisors	(2,316)	(3,083)
Other staff expenses	(839)	(938)
Financial advisor expenses	(1,477)	(2,145)
D) ICT expenses	(33,143)	(30,464)
Lease of ICT equipment and software	(945)	(952)
Software expenses: lease and maintenance	(9,168)	(7,980)
ICT communication systems, messaging and phone expenses	(3,911)	(3,804)
Consultancy and ICT services provided by third parties	(9,485)	(9,094)
Financial information providers	(9,634)	(8,634)
E) Consultancies and professional services	(2,804)	(2,896)
Consultancies and professional services	(2,314)	(2,167)
Legal expenses and disputes	(101)	(410)
Auditing company expenses	(389)	(319)
F) Furniture, machinery and equipment expenses and Real estate expenses	(2,915)	(2,738)
Repair and maintenance of furniture, machinery, and equipment	(144)	(130)
Maintenance and cleaning of premises	(824)	(831)
Premises rentals	(386)	(375)
Utilities and condominium expenses	(1,561)	(1,402)
G) Other functioning costs	(17,827)	(16,027)
Postage and transport of documents	(1,945)	(1,878)
Administrative, logistic and call center services	(10,141)	(8,853)
Insurance	(2,561)	(2,174)
Association dues and fees	(2,368)	(2,344)
Other administrative expenses	(812)	(778)
H) Contributions to Resolution Funds, Deposit Guarantee Schemes (DGS) and Life Insurance Guarantee Fund	2	(35,343)
Total	(196,392)	(212,886)

Item "H) Contributions to Resolution Funds, Deposit Guarantee Schemes (DGS) and Life Insurance Guarantee Fund" as at 30th June, 2024 included the contributions due for the year 2024 referring to the Italian Deposit Guarantee Scheme (Fondo Interbancario di Tutela dei Depositi), in the amount of € 35,343 thousand, to which, for the 2024 financial year only, participating banks contributed as at 31st March instead of 30th September. For further details regarding contributions to the Deposit Guarantee Fund, the Resolution Fund, and the Life Insurance Guarantee Fund, please refer to the information below.

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Contributions to the Deposit Guarantee Fund, the Resolution Fund and the Life Insurance Guarantee Fund

Directive 2014/49/EU of April 16th, 2014 on Deposit Guarantee Schemes (DGS) aims to enhance the protection of depositors by harmonising national legislation. It calls for a mandatory national contribution mechanism that will allow a target level of 0.8% of the amount of its members' covered deposits to be collected by July 3rd, 2024. Where the financing capacity falls short of the target level, the payment of contributions shall resume at least until the target level is reached again. If, after the target level has been reached for the first time, the available financial means have been reduced to less than two-thirds of the target level, the regular contribution shall be set at a level allowing the target level to be reached within six years. The contribution mechanism involves ordinary annual contribution instalments, with the aim of distributing the costs evenly over time for the contributing banks, in addition to extraordinary contributions, if the available financial resources of a DGS are insufficient to repay depositors; the extraordinary contributions cannot exceed 0.5% of covered deposits per calendar year, but in exceptional cases and with the consent of the competent authority, the DGS may demand even higher contributions. The target level described above was achieved in 2024. Contributions relating to the 2025 financial year, if required to maintain the target level, will be recognized, in accordance with IFRIC 21, in the third quarter of the financial year.

With European Directive 2014/59/EU, the Regulation on the Single Resolution Mechanism ("BRRD Directive" Regulation (EU) No. 806/2014 of the European Parliament and of the Council dated July 15th, 2014) established a framework for the recovery and resolution of crises in credit institutions, by setting up a single resolution committee and resolution fund for banks (Single Resolution Fund or SRF). The Directive entails a compulsory contribution mechanism allowing the collection by December 31st, 2023 of the target level of resources, corresponding to 1% of the covered deposits of all authorised institutions in the European territory. The accumulation period can be extended by a further four years if the cumulative disbursements from the contribution schemes have exceeded 0.5% of protected deposits. If, after the accumulation period, the available funds fall below the target level, the collection of contributions resumes until said level is reinstated. Additionally, having reached the target level for the first time and, in the event that the available funds fall to less than two thirds of the target level, these contributions are set at the level which allows the target level to be reached within six years. The contribution mechanism provides for ordinary annual contributions, with the aim of distributing the costs evenly over time for the contributing banks, and extraordinary additional contributions of up to three times the standard annual amount when the available funds are not sufficient to cover the losses and costs of interventions.

The Single Resolution Board (SRB) announced on its website that the target level of the Single Resolution Fund (SRF) remains met at the end of 2024. Therefore, unless circumstances change, banks will not have to contribute to the SRF for the 2025 financial year. The target level will be reviewed again at the beginning of 2026.

Both Directives No. 49 and No. 59 allow for the possibility of introducing irrevocable payment commitments as an alternative form of collection to nonreimbursable cash contributions, up to a maximum of 30% of the total target resources, an option that the Bank has not used.

By Law No 213 of December 30th, 2023, Article 1, paragraph 113, in Title XVI of the Private Insurance Code, pursuant to Legislative Decree No 209 of 7 September 2005, 'Chapter VI-bis' was inserted, establishing the 'Life Insurance Guarantee Fund'. The General Meeting establishing the Life Insurance Guarantee Fund was held on 13 December 2024. Article 274-quater, paragraph 1, of the aforementioned decree provides that the Life Insurance Guarantee Fund shall have a financial endowment proportionate to its liabilities and in any case equal to at least 0.4 per cent of the amount of the technical reserves of the life classes (i.e. Class C and Class D life insurance policies) - calculated in accordance with the Solvency II prudential rules (sum of best estimate and risk margin), or in accordance with a solvency regime deemed equivalent under European Union law - held by the member undertakings as at December 31st of the previous year. Paragraph 2 of the same article stipulates, inter alia, that in the first phase of application, the above-mentioned target level shall be reached, in a gradual manner, as of January 1st, 2024 and by December 31st, 2035. The deadline may be further extended, up to a maximum of two years, by decree of the Ministry of Economy and Finance. Article 274-quinquies(1) of the Decree provides that the aforementioned financial endowment is established by ordinary contributions paid at least annually in the amount determined by the Life Insurance Guarantee Fund and communicated to the members from year to year. The members (cf. Article 274-bis) consist of the member insurance undertakings and the member intermediaries, which include (cf. Article 109 paragraph 2 letter d) of the aforementioned decree) the banks authorised under Article 14 of the Consolidated Banking Act. Upon first application, the contributions due by the intermediaries referred to in Article 109 paragraph 2 letter d) are equal to 0.1 per thousand of the amount of the intermediated life technical provisions. If the financial endowment of the Life Insurance Guarantee Fund is insufficient to meet the payment of protected benefits, it shall ask members to supplement it by extraordinary contributions not exceeding 0.5 per cent of the technical provisions for life classes for member undertakings and not exceeding 0.5 per thousand of the same technical provisions for member intermediaries.

Contributions may take the form of irrevocable commitments to pay and be due in the cases envisaged by the by-laws of the Life Insurance Guarantee Fund if so authorised by the Fund and in the amount determined by the Fund, but not exceeding:

- 50 per cent of the total amount of the Fund's endowment until the endowment is less than 75 per cent of the target level referred to in Article 274-quater (1);
- 60 per cent once an endowment equal to 75 per cent of the target level referred to in Article 274-quater, paragraph 1 has been reached.

In April 2025, the Life Insurance Guarantee Fund announced that it is preparing its bylaws. These bylaws will contain, inter alia, in accordance with Article 274-quinquies of the Private Insurance Code, detailed regulations regarding the contributions due to the Fund, both for the purposes of establishing the financial resources earmarked for the interventions referred to in Article 274-sexies of the Private Insurance Code and for the purposes of establishing the resources to cover the Fund's management and operating expenses pursuant to Article 274-novies, paragraph 1, letters f) and g) of the Private Insurance Code. No contributions have been recorded in the first half of 2025, pending approval and publication of the bylaws.

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All contributions to the aforementioned funds are accounted for in accordance with IFRIC21 "Levies". Accordingly, they are recognised in the income statement at the point in time when the obligating event occurs that generates the obligation, which is identified by legislation and from which the payment of the contribution arises.

Section 13 – Net provisions for risks and charges – Item 200

13.1 Net provisions for risks and charges relating to commitments and financial guarantees given: breakdown

(Amounts in € thousand)

Transactions/Income items	Impairment		Write-backs		Total	Total
	Stage 1 and Stage 2	Stage 3	Stage 1 and Stage 2	Stage 3	06/30/2025	06/30/2024
1. Commitments	(51)	(6)	31	6	(20)	134
2. Financial guarantees given	-	-	-	-	-	-
Total	(51)	(6)	31	6	(20)	134

13.2 Net provisions for risks and charges relating to other commitments and other guarantees given: breakdown

(Amounts in € thousand)

Transactions/Income items	06/30/2025			06/30/2024		
	Provisions	Reallocations	Total	Provisions	Reallocations	Total
1. Other commitments	-	-	-	(72)	67	(5)
2. Other guarantees given	-	-	-	-	-	-
Total	-	-	-	(72)	67	(5)

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13.3 Net provisions to other provisions for risks and charges: breakdown

(Amounts in € thousand)

Items/Income items	Total 06/30/2025			Total 06/30/2024		
	Provisions	Reallocations	Total	Provisions	Reallocations	Total
Legal and fiscal disputes	(3,648)	2,031	(1,617)	(3,613)	5,778	2,165
Supplementary customer indemnity provision	(5,536)	-	(5,536)	(4,103)	-	(4,103)
Other provisions for risks and charges	(570)	-	(570)	(372)	-	(372)
Total	(9,754)	2,031	(7,723)	(8,088)	5,778	(2,310)

The column "Provisions" also include changes due to the passing of time and changes in the discount rate.

Section 14 – Net impairment/write-backs on property, plant and equipment – Item 210

14.1 Net impairment on property, plant and equipment: breakdown

(Amounts in € thousand)

Assets/Income items	Depreciation	Write-downs	Write-backs	Net profit (loss)	
				06/30/2025	06/30/2024
	(a)	(b)	(c)	(a + b - c)	(a + b - c)
A. Property, plant and equipment	(11,330)	(5)	-	(11,335)	(10,350)
1. Used in the business	(11,330)	(5)	-	(11,335)	(10,350)
- Owned	(5,660)	(5)	-	(5,665)	(4,756)
- Rights of use acquired through leasing	(5,670)	-	-	(5,670)	(5,594)
2. Held for investment	-	-	-	-	-
- Owned	-	-	-	-	-
- Rights of use acquired through leasing	-	-	-	-	-
3. Inventories	X	-	-	-	-
Total	(11,330)	(5)	-	(11,335)	(10,350)

Impairments were recognised in the period for insignificant amounts and mainly in relation to office furniture and fittings for which a zero value in use was determined.

A description of the methods used to calculate depreciation is provided in Part A – Accounting Policies of the notes to the consolidated accounts as of December 31, 2024.

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Section 15 – Net impairment/write-backs on intangible assets – Item 220

15.1 Impairment on intangible assets: breakdown

(Amounts in € thousand)

Assets/Income items	Depreciation	Write-downs	Write-backs	Net profit (loss)	Net profit (loss)
				06/30/2025	06/30/2024
	(a)	(b)	(c)	(a + b - c)	(a + b - c)
A. Intangible assets	(2,171)	-	-	(2,171)	(2,267)
of which: software	(2,171)	-	-	(2,171)	(2,262)
A.1 Owned	(2,171)	-	-	(2,171)	(2,267)
- Generated internally by the company	-	-	-	-	-
- Others	(2,171)	-	-	(2,171)	(2,267)
A.2 Rights of use acquired through leasing	-	-	-	-	-
Total	(2,171)	-	-	(2,171)	(2,267)

A description of the methods used to calculate depreciation is provided in Part A – Accounting Policies of the notes to the consolidated accounts as at December 31st, 2024.

For the disclosures required by IAS 36 paragraph 134, d), e), f) and 135, c), d), e), see Part B paragraph 13.3 Other information.

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Section 16 – Other operating income/charges – Item 230

16.1 Other operating charges: breakdown

(Amounts in € thousand)

Type of expense/Amounts	Total	Total
	06/30/2025	06/30/2024
Refunds and allowances	(340)	(92)
Penalties, fines, sanctions and unfavourable rulings	(931)	(560)
Improvements and incremental expenses incurred on leasehold properties	(510)	(671)
Exceptional write-downs of assets	(345)	(33)
Other operating expenses	(1,153)	(694)
Total	(3,279)	(2,050)

16.2 Other operating income: breakdown

(Amounts in € thousand)

Type of expense/Amounts	Total	Total
	06/30/2025	06/30/2024
Recovery of expenses:	111,067	97,510
- recovery of ancillary expenses - other	118	425
- recovery of taxes	110,949	97,085
Rental income from properties	90	409
Other income from current year	1,597	1,118
Total	112,754	99,037

The Group has not carried out sub-leasing transactions. The Group has no financial leases. As far as operating leases are concerned, the Group, as lessor, has outstanding operations represented by leasing contract for a part of the property owned by FinecoBank, located in Milan Piazza Durante, 11, the proceeds of which are recognized in the item "Rental income from properties" and may include income for ISTAT revaluations.

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Section 17 – Profit (loss) of associates – Item 250

17.1 Profit (Loss) of associates: breakdown

(Amounts in € thousand)

Income/Value	Total 06/30/2025	Total 06/30/2024
1) Joint ventures		
A. Income	-	-
1. Revaluations	-	-
2. Gains on disposal	-	-
3. Writebacks	-	-
4. Other gains	-	-
B. Expenses	-	-
1. Write-down	-	-
2. Impairment losses	-	-
3. Losses on disposal	-	-
4. Other expenses	-	-
Net profit	-	-
2) Companies subject to significant influence		
A. Income	10	8
1. Revaluations	10	8
2. Gains on disposal	-	-
3. Writebacks	-	-
4. Other gains	-	-
B. Expenses	-	-
1. Write-down	-	-
2. Impairment losses	-	-
3. Losses on disposal	-	-
4. Other expenses	-	-
Net profit	10	8
Total	10	8

Revaluations on companies subject to significant influence, in the amount of € 10 thousand, refer to the valuation of Vorvel Sim S.p.A. using the equity method.

Section 18 – Gains (losses) on tangible and intangible assets measured at fair value – Item 260

No data to report.

Section 19 – Impairment of goodwill – Item 270

No data to report.

Section 20 – Gains (losses) on disposal of investments – Item 280

No data to report.

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Section 21 – Tax expense (income) related to profit or loss from continuing operations – Item 300

21.1 Tax expense (income) related to profit or loss from continuing operations: breakdown

(Amounts in € thousand)

Items income/Sectors	Total 06/30/2025	Total 06/30/2024
1. Current tax (-)	(119,229)	(141,215)
2. Adjustment to current tax of prior years (+/-)	-	2,791
3. Reduction in current tax for the year (+)	-	-
3.bis Reduction of current tax for the year due to tax receivables pursuant to Law 214/2011 (+)	-	-
4. Changes in deferred tax assets (+/-)	(22,413)	(462)
5. Changes in deferred tax liabilities (+/-)	(440)	(392)
6. Tax expense for the year (-) (-1+/-2+3+ 3 bis +/-4+/-5)	(142,082)	(139,278)

Section 22 – Profit (Loss) after tax from discontinued operations – Item 320

No data to report.

Section 23 – Minority interests – Item 340

No data to report.

Section 25 - Earnings per share

25.1 Average number of diluted ordinary shares

Basic earnings per share are calculated by dividing the net profit by the average number of ordinary shares outstanding during the first half of 2025.

	30/06/2025	30/06/2024
Net profit for the period (€ thousands)	317,836	320,320
Average number of outstanding shares	611,208,589	610,740,180
Average number of outstanding shares (including potential ordinary shares with dilution effect)	612,798,664	612,080,241
Basic earnings per share	0.52	0.52
Diluted Earnings per Share	0.52	0.52

25.2 Other information

No data to report.

Part E - Information on Risks and relating hedging policies

Introduction

In order to ensure efficient and effective management of risks, the risk management process is structured consistently with the supervisory provisions for Banks pertaining to the internal control framework.

Risk oversight and control is performed by the Group's Chief Risk Officer Department (CRO), which, as the risk management function, is independent from risk taking units.

The Parent Company is responsible for first and second-level monitoring, especially for verifying that individual risk taking is consistent with the guidelines set by the Board of Directors, capital, and prudential supervisory rules.

Organisational framework

The Group's internal control system of the Group provides for the involvement of the following control bodies and functions, each for their respective area of competence:

- the Board of Directors;
- the Chief Executive Officer and General Manager;
- the Board of Statutory Auditors;
- the Risk and Related Parties Committee;
- the Remuneration Committee;
- the Appointments Committee;
- the Corporate Governance and Environmental and Social Sustainability Committee;
- the Supervisory Body set up pursuant to Legislative Decree 231/01;
- the corporate control functions (CRO, Compliance, Internal Audit) as well as other company functions with specific internal control tasks¹².

Corporate bodies and control functions collaborate and coordinate with each other through both specific information flows formalized in internal regulations, and the establishment of managerial committees dedicated to control issues.

The Board of Directors of the Parent Company is tasked with setting strategies and guidelines for the organizational framework, overseeing and monitoring their timely execution within the assigned risk profiles. The Board of Directors is also responsible for establishing and approving risk acknowledgment and evaluation techniques as well as risk management strategic direction and policies. Eventually, the Board of Directors verifies that the internal control framework is consistent with the established risk appetite and approves risk management policies.

The Chief Executive Officer and General Manager has been assigned specific powers by the Board of Directors in all the Group's business areas. These powers shall be exercised in accordance with applicable regulations and within the internal limits established by the strategies, the guidelines, the thresholds, the risk taking procedures and the operational instructions disciplined by the applicable information notices. The Chief Executive Officer and General Manager puts in place the necessary measures to ensure the establishment and maintenance of an efficient and effective internal control system.

As far as risk management is concerned, the Board of Statutory Auditors is responsible for overseeing the completeness, adequacy, functionality and reliability of the Internal Control System and the Risk Appetite Framework. In addition, the Board of Statutory Auditors has been assigned the tasks and responsibilities of the internal control committee and accounting review, pursuant to art. 19 of Legislative Decree No. 39/2010 (as amended by Legislative Decree 135/2016).

The Risks and Related Parties Committee is made up of five non-executive and independent Directors, and has the task of supporting, with an adequate preliminary investigations, the assessments and decisions of the Board of Directors concerning risks and the Internal Control and Risk System, as well as those relating to the approval of periodic financial reports.

The Remuneration Committee is composed of three non-executive and independent Directors and has the task of supporting, with adequate preliminary activities, the assessments and decisions of the Board of Directors in the following main activities: in defining the general remuneration policy for the Chief Executive Officer, the General Manager, the other Executives with strategic responsibilities and the other identified Staff. The Remuneration Committee is also involved in examining stock or monetary incentive plans for employees and the personal financial advisors of the Group and in strategic development policies of human resources.

The Appointments Committee is composed by three non-executive and independent Directors and has the task of supporting the Board of Directors in the process of appointing and co-opting of Directors, the Chief Executive Officer, the General Manager and other members of the top management having strategic responsibilities.

¹² Other functions that perform specific control activities include, for relevance, the ICT and Security Risk Control Function (whose tasks are divided by competence between the CRO Department and the Compliance Department), the Anti-Money Laundering and Anti-Terrorism Function and the Validation Function.

Part E - Information on Risks and relating hedging policies

The Corporate Governance and Environmental and Social Sustainability Committee is composed of three non-executive and independent Directors and has the task of supporting the Board of Directors in the following main activities: in defining FinecoBank Corporate Governance Framework, the corporate structure and the Group's corporate governance models and guidelines. Eventually, the committee is involved in every sustainability issue relevant to the FinecoBank business model and interaction dynamics with stakeholders.

The Manager in charge of preparing the corporate accounting documents guarantees the adequacy of the administrative and accounting procedures for the preparation of the Company's financial statements and the consolidated financial statements as well as any other financial communications, pursuant to Art. 154-bis of Legislative Decree 24 February 1998 n. 58 (TUF).

The Compliance function is in charge of the management of the risk of non-compliance, i.e. the risk of incurring judicial or administrative sanctions, significant financial losses or reputation damages resulting in violations of mandatory rules or self-regulation.

The Anti-Money Laundering and Anti-Corruption function is responsible for continuously monitoring and identifying the external regulations applicable to the Group in this area and for measuring/evaluating their impact on corporate processes and procedures in the areas of anti-money laundering, combating terrorist financing, financial sanctions and anti-corruption.

The internal validation function, placed within the Chief Risk Officer Department, is in charge of validating the internal models developed by the competent Group's functions, and it is fully independent from them.

The CRO Department, as the risk management function, oversees the proper performance of the Group's risk framework by defining the appropriate methodologies for identifying and measuring the overall current and future risks. Such activity is carried out according to regulatory provisions, following the management decisions envisaged in the Group's Risk Appetite (RAF) and the principles and policies defined by the CRO, through a monitoring activity and ensuring compliance with the established limits.

The CRO, with the support of the Chief Financial Officer (CFO), each one for their area of responsibilities, is responsible for proposing the Group Risk Appetite Framework and setting risk management strategies and policies, in line with the Bank's strategies and objectives, coordinating and monitoring their implementation by competent units also pertaining to different company areas.

The CRO Department, in the context of second-level controls, is responsible for the management and control of credit, market, operational / reputational risks including ICT and Cyber risk, interest rate risk, liquidity and sustainability risk in collaboration with the CFO, the CLO and the CIO for their respective areas of competence. As far as communication to Corporate Bodies is concerned (Chief Executive Officer and General Manager, Board of Directors, Risks Committee and Related Parties), the CRO provides a quarterly disclosure on the activity carried out, as well as on the results emerging from the controls performed. The disclosure also incorporates suggestions on the necessary action to address any identified weaknesses, in order to ensure informed management decisions and risk mitigation.

In particular, the Parent Company CRO Department:

- is involved in the definition of the RAF, risk governance policies and the various phases that make up the risk management process, as well as in setting operating limits for the assumption of various risk types. In this context, it has, inter alia, the task of proposing quantitative and qualitative parameters necessary for the definition of the RAF, which also refer to stress scenarios and, in the event of changes to the Group's internal and external operational environment, the adjustment of parameters thereof;
- verifies the adequacy of the RAF and carries out the related monitoring on a quarterly basis;
- assesses the risks resulting from relevant transactions, ensuring their consistency with the RAF;
- ensures, together with the CFO Department, the monitoring of the ICAAP (Internal Capital Adequacy Assessment Processes) and the ILAAP (Internal Liquidity Adequacy Assessment Process) in compliance with regulatory provisions, ensuring effective monitoring of liquidity risks and consistency between the available capital and the risk inherent in the Group's activities and positions in relation to both the current and forward-looking situation;
- provides for the development and maintenance of risk management managerial models, including internal calculation models used for the purposes of determining the ICAAP Economic Capital;
- defines and applies stress testing scenarios within its areas of competence and verifies the adequacy of Internal Capital;
- continuously checks the adequacy of risk management processes and operating limits;
- ensures the effective implementation of the IT risk assessment methodology, supporting and coordinating the individual functions involved during the ICT risk assessment process, each for their competence area;
- contributes to the definition of the information security policy for the area of competence, collaborating with the ICT function;
- defines common operational risk assessment metrics consistent with the RAF, coordinating with the compliance function, the ICT function and the business continuity function;
- monitors and carries out sensitivity analysis of the banking portfolio in the context of interest rate risk measurement (IRRBB), in line with current legislation and market best practices;
- systematically verifies compliance with the operational limits relating to systematic internalisation and proprietary trading activities;
- assesses the quality of the credit portfolio and defines the methodology for calculating the expected credit losses;
- carries out second line controls aimed at verifying the correct execution of the credit process both at individual and portfolio level;
- attend the SRB Permanent Work Group to ensure the sharing and contributions of its own competence necessary from time to time;
- defines methods of assessment and control of risks arising from environmental, social and governance factors (ESG), as well as reputational risks, coordinating with the compliance function, the sustainability function and any other function which may be involved;

Part E - Information on Risks and relating hedging policies

- assists corporate bodies in assessing strategic risk by monitoring significant variables;
- develops and applies indicators highlighting irregularities and shortfall in the risk measurement and control framework;
- evaluates the risks arising from new products and services. In particular, the identification of risks relating to new products and services is guaranteed by the permanent participation of the CRO in the products committee;
- continuously monitors the actual risk assumed by the Group and its consistency with risk objectives as well as compliance with the limits assigned to operating units in relation to the assumption of the various types of risk.

The function carries out monitoring and reporting activities to the corporate bodies (Chief Executive Officer and General Manager, Board of Directors and Board of Statutory Auditors) and to the Risk and Related Parties Committee. Disclosure is provided to the corporate bodies through the Quarterly Report on the Group's risk exposures.

Lastly, the participation by the Chief Risk Officer and the Head of the Compliance function in the Products Committee ensures the oversight of the operational risk associated with new business activities, as well as creating and spreading a risk culture in among the Group's functional areas.

Risk Appetite

The Group gives great importance to risk management and control, as conditions for guaranteeing a reliable and sustainable growth in a controlled risk environment. The risk management strategy aims at a complete and coherent vision of risks, considering both the macroeconomic scenario and the Group's risk profile, stimulating the spreading of the risk culture and strengthening a transparent and accurate representation of risks embedded in the Group's portfolios. Risk-taking strategies are summarized in the Group's Risk Appetite Framework (RAF) are subsequently approved by the Board of Directors. The Risk Appetite Framework is an integral part of the Internal Control System and represents the reference framework that defines – in line with the business model, the strategic guidelines of the Group and the maximum risk taking – the risk appetite, the tolerance thresholds, the risk limits, the risk governance policies and the reference processes necessary to define and implement them.

The main objectives of the risk appetite are:

- explicitly assess the risks, and their interconnections at local and Group level, that the Group is willing to assume (or avoid) in a long-term perspective;
- specifying the types of risk that the Group is willing to assume, as required by legislation, the so-called Risk Appetites, Risk Tolerances and Risk Capacities under both normal operating and stressed operating conditions;
- ensure a risk-return profile "ex-ante" consistent with sustainable long-term growth, as defined by the return forecasts of the multi-year plan/budget;
- ensure that the business develops within the risk tolerance limits established by the Board of Directors;
- support discussions on future strategic choices concerning the risk profile;
- guide the vision of internal and external stakeholders towards a risk profile consistent with the strategic positioning;
- provide qualitative descriptions for risks that are difficult to quantify (e.g. strategic, reputational, compliance) to strategically guide the review of processes and the internal control system.

The Risk Appetite is fully integrated with the Internal Capital Adequacy Assessment Process and the Internal Liquidity Adequacy Assessment Process (ICAAP and ILAAP) and is linked to the budget and the multi-year plan, as well as the crisis management process of the Recovery Plan, the remuneration and incentive policies, the process for identifying and managing Relevant Transactions and the RAF operational limit framework.

The Risk Appetite structure for 2025 includes a Statement, which qualitatively defines the Group's positioning in terms of strategic objectives and related risk profiles, and a dashboard, which translates the strategic objectives set out in the Statement into a set of limits and quantitative risk/performance metrics appropriately calibrated to represent the significant risks to which the Group is exposed.

During the RAF setting for 2025, a new architecture of the metrics included in the Risk Appetite Dashboard was introduced, which is now structured according to a "tiered" approach. In general, the indicators are divided between strategic indicators, which are considered essential for the soundness, direction and control of the Group's activities, and managerial indicators, whose objective is to decline the risk appetite defined by the higher-ranking indicators. The strategic indicators, in turn, are further divided into primary indicators, subject to limits defined within the same prudential regulations and subject to public disclosure or considered fundamental to represent and address the Group's business model, and secondary indicators, also considered important for guiding the business and containing risk, but of lesser importance compared to the primary indicators.

For strategic indicators, the related risk appetite, risk tolerance and risk limit threshold are identified. In particular:

- The Risk Appetite represent the amount of risk (overall and by type) that the Group is willing to take in pursuit of its strategic objectives.
- The Risk Tolerance set the maximum deviation from the Risk Appetite; Tolerance thresholds are set in order to ensure sufficient margins for the Group to operate, even under stress conditions, within the allowed maximum risk taking.
- The Risk Capacity stand for the maximum level of risk that the Group is technically able to assume without violating regulatory requirements or other constraints imposed by shareholders or supervisory Authorities.

The determination of thresholds is assessed on a case-by-case basis, including through managerial decisions by the Board of Directors, and taking into account stakeholder expectations and positioning with respect to competitors.

Part E - Information on Risks and relating hedging policies

The thresholds described above are also defined, where possible, for managerial indicators.

The escalation process, which guarantees a prompt reaction in the event of thresholds being exceeded and the relevant reporting to the competent bodies, is differentiated according to the type of indicators involved. More stringent escalation processes are adopted for the indicators included in the Recovery Plan and in particular for the primary capital and liquidity indicators.

Metrics are the subject to a regular monitoring and reporting, at least quarterly. Monitoring activities are carried out by the CRO Department and the CFO Department according to their competence area.

ICAAP - Internal Capital Adequacy Assessment Process

The Internal Capital Adequacy Assessment Process (ICAAP) represents the process through which institutions carry out an autonomous current and forward-looking assessment of capital adequacy in relation to the risks assumed and the company strategies.

The Group's capital adequacy is assessed from a Normative perspective and an Economic perspective. As suggested by the "ECB Guide to the Internal Capital Adequacy Assessment Process (ICAAP)", the two perspectives are complementary and complement each other. In particular:

- the **Regulatory perspective** represents a multi-year assessment of the institution's ability to meet all regulatory and supervisory capital needs and requirements, as well as to cope with other external financial constraints, on an ongoing basis in the medium term. The objective is to ensure, also from a forward-looking perspective, that the provision of Own Funds is sufficient to comply with the overall capital requirement (P2R) and the *Pillar 2 Guidance* (P2G). To this end, the levels of indicators such as the *CET1 Ratio*, *Tier1 Ratio*, *Total Capital Ratio* and the *Leverage Ratio* must be higher than the regulatory limits and the threshold values defined in the *Group Risk Appetite*;
- the **Economic perspective** requires measuring the capacity to cover the risks relevant to the Institution (both those typically of the First Pillar and those of the Second) and verifying the adequacy of the coverage with respect to the available capital resources. In FinecoBank, the absorption of risks is represented by the Total Internal Capital, or the capital requirement relating to a given risk that the Bank deems necessary to cover losses exceeding a given expected level. The result of the comparison between Internal Capital and *Available Financial Resources* is the *Risk Taking indicator Capacity*, which represents the capital adequacy measure of Pillar II.

The aim of the dual perspective is to take into account the mutual integration of information between the two Pillars; in particular, the Guidelines suggest including in the regulatory perspective not only the typical regulatory risks (credit, market and operational) but also those relevant for the banking group (for example business risk or interest rate risk) belonging to pillar II.

Preparatory to the ICAAP is the annual process of identifying and mapping risks within the overall process of defining the Group's RAF. The activity involves the identification by the Parent Company's CRO Department of all risks - both quantitative and qualitative - to which the Group is or could be exposed, taking into account its operations and reference markets. In this context, the Group defines for which types of risks (other than credit, counterparty, market and operational risks) it is appropriate to adopt quantitative methodologies that may determine an Internal Capital requirement and for which, instead, control or mitigation measures are considered more appropriate, in combination or alternatively.

With reference to the **regulatory perspective**, the calculation of RWA for Pillar I risk categories (credit, market and operational), aimed at determining the regulatory requirement, occurs through the **standardized methodologies** identified by regulation 575/2013 (CRR).

With reference to the **economic perspective**, for the calculation of **internal capital** the Group has adopted its own methodology based on the estimate of the unexpected loss with a given time horizon (1 year) and with a given probability. In particular:

- for **credit risks**, the estimate of Internal Capital is carried out by calculating the distribution of losses, i.e. the curve that expresses in aggregate form the relationship between the probability of occurrence of default events of the counterparties and the associated overall potential loss for the Group. The category also considers the default risk, i.e. the risk of insolvency of the counterparty, the portfolio concentration risk and the migration risk, i.e. the risk of deterioration of the creditworthiness of a counterparty (downgrade);
- for **market risks**, the estimate of Internal Capital is based on the estimate of the VaR of market risks through the historical simulation method. The simulation of the P&L series is carried out considering all the risk factors (credit spread, interest rate, exchange rate, ...), reflecting not only the volatility and historical correlation levels, but the entire historical distribution of the risk factors (for example skewness and kurtosis);
- for **operational risks**, the estimate of internal capital is based on the historical series of internal loss data, recorded and classified in accordance with the 7 *event types* provided for by art. 324 of the CRR. The model simulates, through a Monte Carlo procedure (which includes 1 million scenarios), the number of operational events and the associated impacts for each Event Type. Subsequently, for each Event Type, the overall distribution of the Bank's annual operational losses is reconstructed;
- for **business risk**, the estimate of Internal Capital is based on the analysis of the quarterly historical series of the company's gross operating profit (*Gross Operating Profit*). The objective is to isolate the unpredictable trend of the profit since the volatility of this share represents the actual exposure to business risk.

Both for the Economic and Regulatory perspectives, **stress test scenarios are conducted**, used to provide the Corporate Bodies with a better assessment of the exposure to risks and the related mitigation and control systems; the results of the stress tests are used for strategic purposes of direction for the management of the Group but do not define the level of capital adequacy.

Part E - Information on Risks and relating hedging policies

The ICAAP scenarios applied are two, of increasing intensity, Moderate and Adverse; both are based on a coherent macroeconomic and financial framework, uniformly applied to the variables considered.

Finally, in light of the growing attention to environmental issues by the main prudential and regulatory authorities at global level and the recent regulatory developments in the field of financial risks linked to environmental, social and governance (ESG) factors, the stress program has been enriched with scenario analyses focused on this particular area, which also include a qualitative *reverse stress test*.

For the economic perspective, the reference metric is *Risk Taking Capacity*, equal to the ratio between available capital (*Available Financial Resources - AFR*) and Total Internal Capital; this metric is monitored on a quarterly basis and illustrated to the Corporate Bodies within the Group Risk Exposure Report.

With reference to the ICAAP 2024 process, concerning the data as of 31 December 2024, the Group confirmed its capital strength. All the indicators relating to the Economic and Regulatory perspective are above the minimum regulatory levels and the objectives defined in the Risk Appetite. Stress tests also confirm the Group's solidity, which remains at very high capital levels.

Risk culture

As highlighted in the Risk Appetite Framework, the Group confirms its strategic approach towards the adoption of a solid business model with a low risk appetite in order to create the basis for sustainable profits and return on the cost of capital, ensuring continuity in revenue generation. The Group's ambition is to achieve this result with the support of an optimal Internal Control System with effective and efficient procedures in the management of each risk.

In order to internalize these principles and values and implement the culture of risk in daily activities, numerous initiatives are being developed, in particular:

- a Global Policy "Integrity Charter and Code of Conduct of the FinecoBank Group" has been adopted, defining the principles and values to which the Group wishes to conform its operations, as well as the set of rights, duties and responsibilities that it assumes towards all stakeholders, which it undertakes to respect, and which represent a guideline in corporate decisions and behaviors;
- the methods and mechanisms for safeguarding the various operational and regulatory limits that the Group must comply with in carrying out its business activities are shared via circular with the business functions. In particular, the circulars help the line functions understand and carry out their risk management tasks;
- various reports from the corporate control functions relating to risk management and monitoring activities are shared, including, for example, the report on the Group's risk exposures and the summary report on the ICT and security risk situation prepared by the CRO Department, the Compliance Activities Report of the Compliance Department and the AML and self-assessment report of the Anti-Money Laundering and Anti-Corruption Department. The aim is to improve the staff awareness about the Group's overall exposure to the various types of risk;
- management committees are established to ensure a level of risk awareness spread across all organizational levels, with the involvement of both business and control structures (so-called "tone from the top");
- incentive mechanisms are implemented that consider a weighting for risks related to the annual performance of a subset of the RAF indicators (so-called "CRO Dashboard");
- ongoing relationships are maintained between the Chief Risk Officer of the Parent Company and that of the subsidiary Fineco AM, to share information on the risk profile and development plans to improve its evolution and risk management;
- periodic induction activities are carried out with the Board of Directors and in-depth analysis of risk-related issues with the Risk and Related Parties Committee;
- specific courses are offered to employees with the aim of developing and standardising their understanding of risk and its knowledge (for example, relating to operational and reputational risks);
- a shadowing activity is envisaged between personnel belonging to different corporate control functions, aimed at ensuring the formation of transversal skills and acquiring a comprehensive and integrated vision of the internal control system.

Part E - Information on Risks and relating hedging policies

Section 1 – Consolidated financial statements risks

This section provides information referring to FinecoBank and Fineco AM, companies included in the consolidated financial statements risks.

As far as Fineco AM is concerned, risk management and control are ensured by the risk management function of the company, entrusted to the Chief Risk Officer, hierarchically dependent on the CEO and functionally dependent on the CRO of FinecoBank S.p.A.. FinecoBank's internal control system is structured according to the regulatory indications provided by the current legislation. Control, monitoring and reporting methodologies already in place in FinecoBank have been extended to Fineco AM adjusting, where necessary, the methods of analysis and controls adapting them to the size, nature and complexity of the business.

Specifically, there are two main risk management activities carried out: the traditional activity of controlling the adherence of the risk/return profile of each fund (Fund Risk Management) and the activity of overseeing operational risks (Operational Risk Management); however provided for in Irish legislation.

Quantitative information

A. Credit quality

As provided for in Circular No. 262 "The banks' Financial Statements: layouts and preparations", on-demand loans to banks and central banks, which are recognised in the balance sheet item "Cash and cash balances", are included in the definition of cash credit exposures but are conventionally excluded from the quantitative credit quality disclosure tables in this Section 1 "Consolidated financial statements risks".

A.1 Impaired and unimpaired exposure: amounts, impairment, changes, distribution by business activity

A.1.1 Breakdown of financial assets by portfolio and credit quality (carrying value)

(Amounts in € thousand)

Portfolio/quality	Bad exposures	Unlikely to pay	Past due impaired exposures	Past due unimpaired exposures	Other unimpaired exposures	Total
1. Financial assets at amortised cost	1,035	2,183	4,500	45,208	31,318,895	31,371,821
2. Financial assets at fair value through other comprehensive income	-	-	-	-	300,694	300,694
3. Financial assets designated at fair value	-	-	-	-	-	-
4. Other financial assets mandatorily at fair value	-	-	-	-	62	62
5. Financial instruments classified as held for sale	-	-	-	-	-	-
Total 06/30/2025	1,035	2,183	4,500	45,208	31,619,651	31,672,577
Total 12/31/2024	793	1,989	1,334	35,611	29,984,805	30,024,532

There are no impaired purchased loans.

Part E - Information on Risks and relating hedging policies

A.1.2 Breakdown of financial assets by portfolio and credit quality (gross and net values)

(Amounts in € thousand)

Portfolio/quality	Impaired				Unimpaired			Total (net exposure)
	Gross exposure	Total impairment provision	Net exposure	Total partial write-off	Gross exposure	Total impairment provision	Net exposure	
1. Financial assets at amortized cost	30,298	(22,580)	7,718	-	31,378,533	(14,430)	31,364,103	31,371,821
2. Financial assets at fair value through other comprehensive income	-	-	-	-	300,725	(31)	300,694	300,694
3. Financial assets designated at fair value	-	-	-	-	X	X	-	-
4. Other financial assets mandatorily at fair value	-	-	-	-	X	X	62	62
5. Financial instruments classified as held for sale	-	-	-	-	-	-	-	-
Total 06/30/2025	30,298	(22,580)	7,718	-	31,679,258	(14,461)	31,664,859	31,672,577
Total 12/31/2024	27,719	(23,603)	4,116	-	30,033,758	(13,399)	30,020,416	30,024,532

(Amounts in € thousand)

Portfolio/quality	Assets with of clearly poor credit quality		Other assets	
	Accumulated unrealised losses	Net exposure	Net exposure	Net exposure
1. Financial assets held for trading	-	1		7,131
2. Hedging derivatives	-	-		610,194
Total 06/30/2025	-	1		617,325
Total 12/31/2024	-	3		683,959

Part E - Information on Risks and relating hedging policies

B. Disclosure on structured entities (other than securitization companies)

B.1 Consolidated structured entities

No data to report.

B.2 Non-consolidated structured entities

B.2.1 Consolidated structured entities for supervisory purposes

No data to report

B.2.2 Other structured entities

Qualitative information

The Group has exposures towards unconsolidated structured entities as a result of investments in units issued by investment funds (UCITS) that qualify as structured entities according to IFRS 12.

Quantitative information

The table below shows the assets, liabilities and off-balance sheet exposure to structured entities represented by unconsolidated UCITS units.

(Amounts in € thousand)

Balance sheet items/type of structured entity	Accounting portfolios of assets	Total assets (a)	Accounting portfolios of liabilities	Total liabilities (b)	Net carrying amount (c=a-b)	Maximum exposure to loss (d)	Difference between exposure to the risk of loss and the carrying amount (e=d-c)
1. Vehicle company	-	-	-	-	-	-	-
	MFV	1,704		-	1,704	1,704	-
2. U.C.I.T.S.	AC	41,537	AC	3,204	38,333	41,537	3,204
	HFT	-		-	-	-	-
Total		43,241	-	3,204	40,037	43,241	3,204

Key

MFV = Financial assets mandatorily at fair value

AC = Financial assets at amortised cost

HFT = Assets Held for trading

It should be noted that in the table above, the exposure in "Financial assets mandatorily at fair value" is represented by U.C.I.T.S. held by the subsidiary Fineco AM, while the assets and liabilities at amortised cost represent, respectively, receivables and payables that the company has towards the ICAV that issued the investment fund.

Part E - Information on Risks and relating hedging policies

Section 2 – Risk of the prudential consolidated perimeter

1.1 Credit risk

Qualitative information

1. General Matters

The Group's objective is to provide an adequate range of products able to satisfy and secure customer loyalty, through a competitive and complete offer. The products offered and under development are consistent with the objective of preserving the portfolio quality and with profitability monitoring processes as well.

Factors generating credit risk are acknowledged according to a specific acceptance and creditworthiness policies, which are always adequately correlated to the risk/return ratio and in line with the Risk Appetite defined by the Board of Directors.

The quality of the loan portfolio, which is constantly monitored and supported by risk mitigation instruments, is overseen by scoring models that contribute to the evaluation during the approval process, ensuring the latter be neat and duly checked. In addition to the risk level assessment, monitoring of the portfolio and its segmentation by product and seniority allow a better understanding of the best loan originating strategies. The identification of any high-risk areas allow intervention on the automated measurement systems as well as on origination policies, with the chance to take measures to limit credit risk in advance.

The credit product offer has evolved over the years, especially through the offer of mortgages loans and the granting of current account credit facilities guaranteed by a pledge on securities and investment funds with the rotational clause (Credit Lombard). Credit Lombard is the solution of FinecoBank to clients holding considerable investments who wish to obtain additional liquidity.

The mortgage offering mainly involves mortgage loans originated for the purchase of first and second homes (including subrogation), as well as those demanded for liquidity purposes. Non-residential mortgages are originated only to a limited extent.

The Group, moreover, has continued to improve already existing by issuing regular credit cards to current account holders and granting personal loans. The latter can also be assessed using the "Instant approval" mode, a service allowing credit applications to be assessed in a few moments and to provide the loan in real time to eligible customers.

Choices concerning the investment of the Bank's liquidity are governed by a prudential approach aimed at containing credit risk. Such approach mainly involve the subscription of Eurozone government bonds. For more details on government bonds, see the Information on securities issued by sovereign States.

As at June 30, 2025 there are no sign of deterioration in the Group's loans receivable with ordinary customers portfolio arising from Russian-Ukraine conflict. This one indeed is composed by retail loans granted with conservative and careful origination policies, and mostly assisted by real estate or financial collateral. In the case of mortgage loans, the average Loan to Value is indeed equal to approximately 44% whereas relevant overdraft facilities requires the funding of financial collateral, using conservative margins.

2. Credit Risk Management Policy

2.1 Organisational aspects

In order to ensure an adequate credit risk supervision, the FinecoBank Group has adopted an effective internal governance framework, organized on distinct and articulated levels of responsibility.

At the first level, the credit process relating to trade receivables and the process of granting and allocating credit limits (plafond) for institutional counterparties is a responsibility of the Chief Lending Officer (CLO). In this context, the CLO Department carries out both the creditworthiness assessment of clients and counterparties with which the Group carries out credit business and the performance monitoring of individual credit exposures, in order to promptly detect any irregularities and carry out the necessary prudential classifications.

In addition the performance monitoring, the CLO Department also calculates customer default rates by type of product, aimed at intercepting increases in the riskiness of the products offered by the Group to its customers, and at estimating the risk parameters (PD and LGD) used to calculate expected credit losses under IFRS 9.

At the second line of defence, the direction and control of credit and counterparty risk are a responsibility of the Chief Risk Officer. Within the CRO Department, the Credit Risk & Internal Capital Team is responsible for:

- monitoring trade receivables through second-level controls focusing more generally on the overall quality of the Bank's loan portfolio, promptly detecting any irregularities;
- supporting the CLO Department in the development and maintenance of the scoring models used by the Bank for the creditworthiness assessment of its retail customers;

Part E - Information on Risks and relating hedging policies

- verifying, through second-level controls, the correct execution of the performance monitoring on individual exposures, assessing the consistency of prudential classifications and the adequacy of provisions;
- monitoring, through second-level controls, the degree of concentration towards individual issuers of securities funded as collateral, and real estate guarantees exposed to high climate and environmental risk;
- carrying out a systematic monitoring of the riskiness of FIBS and Corporate counterparties with significant exposure, also through specific indicators that highlight their vulnerability in terms of climate and environmental risks;
- analyzing the risk level of individual products, periodically verifying the consistency of the retail customers default rates calculated by the CLO Department;
- defining a reporting model for the Group by specifying the rules for identifying stocks and flows;
- defining the credit parameters (PD and LGD) useful for defining product pricing, as part of the launch of a new credit product;
- develop and maintain expected credit losses methodologies in accordance with the IFRS9 accounting standard, and carry out data quality checks on provisions;
- carrying out consistency checks on the macroeconomic parameters used by the external supplier to determine the forward-looking component of the risk parameters applicable in the calculation of expected credit losses according to the IFRS accounting principle;
- developing and maintain Credit and business Risk Internal Capital models and apply the related stress scenarios;
- carrying out checks on the risk parameters of FIBS and corporate counterparties, used both for the calculation of expected losses on credit and for the calculation of internal capital, provided by the external data provider, in order to verify their consistency with the actual performance and with market data;
- monitoring credit risk and country risk deriving from the Group's strategic investments, taking into adequate consideration the counterparties' exposure to environmental, social and governance (ESG) risks, and their ability to deal with them;
- verifying compliance with operating limits relating to margin trading and developing scenario analyses (stress tests) for assessing the sustainability of operations from an economic and capital point of view;
- supporting the CFO Department in budgeting and forecasting activities related to credit provisioning.

2.1.1 Credit Risk generating factors

In carrying out its credit business the Group is exposed to the risk that loans may not be repaid at maturity, due to the deterioration of the debtor's financial condition, thus resulting in a partial or full write-down. This risk is always inherent in traditional lending operations regardless of the type of credit facility. The main reasons for default lie in the borrower's lack of autonomous ability to ensure the repayment of the debt.

The main causes of default are attributable to the loss of the borrower's autonomous capacity to ensure the repayment of the debt, as well as the onset of macro-economic and political circumstances affecting the financial conditions of the debtor.

In addition to the risk associated with credit granting and originating, the Group is also exposed to counterparty risk. Counterparty risk is defined as the risk that a counterparty to a transaction eventually fails to settle the transaction itself.

Other banking activities, in addition to traditional loans and deposits, may expose the Group to additional credit risks. Counterparty risk may, for example, arise from:

- entering into derivative contracts;
- purchasing and selling securities, futures, or currencies;
- holding third-party securities.

Counterparties to these transactions or the issuers of securities held by the Group companies may fail to meet their obligations due to insolvency, political and economic events, lack of liquidity, operational weakness or other reasons. Failure to comply with a large number of transactions or one or more transactions of a significant amount would have a materially negative impact on the Group's activity, financial condition and operating results.

In addition, "Non-Traditional Credit Risk" is generated by leverage/short transactions conducted through securities lending. Such transactions, despite automatic stop losses being set within the margins, may generate credit risk if the security lacks liquidity (for example, in the case of market turmoil) and/or the margin is insufficient. In order to prevent such events, scenario analyses are conducted periodically to assess the impacts and implement appropriate mitigation policies.

The Group therefore controls and manages the specific risk of each counterparty as well as the overall risk arising from the loan portfolio through processes, structures and rules aimed at directing, controlling and standardizing the assessment and management of this risk, in line with the Group's best practice and principles.

2.2 Management, measurement and control system

Credit risk associated with potential losses arising from customer/issuer default or from a decrease in the market value of a financial security due to the deterioration of its credit rating, is measured at the level of each counterparty/transaction and for the entire portfolio.

Part E - Information on Risks and relating hedging policies

As already mentioned, credit risk measurement for trade receivables at origination is carried out by the CLO Department, and it is supported by automated assessment systems (so-called credit scoring systems). These systems also incorporate all available information and facts: public data and private data from Credit Bureaus, flows from the Central Credit register or requests for initial information to the Bank of Italy and other information on customer performance recorded by the Group. During the loan application process, attention shall be focused on taking advantage of every customer related information provided by the Bank and the System.

The collection of any guarantees, their assessment and the margins between the fair value of the guarantee and the granted amount shall be regarded as a supporting tool aimed at mitigating credit risk. There is no relevant positive correlation indeed between the value of the financial collateral and the applicant's creditworthiness. The eligibility, evaluation, monitoring and management rules for any acceptable guarantees within the Fineco Group are disciplined in a specific Collateral Management Policy.

The CRO Department, as the risk management function, carries out second-level controls on all the phases that characterize the credit process relating to trade receivables. The controls, which are mainly based on the development of event-based indicators, focuses on verifying compliance with internal regulations and the delegated powers conferred by the Board of Directors to decision-making structures and on the identification of irregularities at portfolio or at more granular level, also in relation to funded collateral. In addition to the controls described above, a quality and performance assessment of the loan portfolio is also periodically carried out.

The creditworthiness assessment of the counterparties with which the Group carries out credit business is carried out by the CLO Department as part of the credit limits granting and allocation process (plafond) to the Counterparty's Economic Group, i.e. considering the Group's exposure to all the subjects legally or economically connected to the counterparty. The Plafonds are "risk ceilings" and stand for the highest limits in terms of credit risk that the Group is willing to accept vis-à-vis a specific counterparty.

The Board of Directors annually approves the Risk Appetite and the "Investment Plan"; the first one defines the propensity and limits for the Group's strategic investments, the second one provides an indication of the composition of the Group's strategic investments. According to the guidelines of the Board of Directors, the Group defines specific risk ceilings (plafond) towards each FIBS counterparty ("Financial Institutions, Banks and Sovereigns") with which the Group will have a credit exposure, always in compliance with the large exposure regulatory limits, where applicable. The Plafond mechanism allows the Group to limit and monitor the concentration risk towards single counterparties (single name concentration) and the related economic group.

The activity is regulated by the Global Policy "Credit business with financial institutions, banks, sovereign and corporate counterparties", which defines the principles and rules for an efficient and complete assessment, control and limitation of credit and counterparty risk linked to the credit business carried out with the aforementioned counterparties. Issuers of bonds kept in the banking book as investments are also in scope. As established in the Global Policy, the CLO Department, in addition to the counterparty's creditworthiness assessment and the risk limits approval required by the various Group functions in accordance with the delegated powers in force from time to time, carries out an operational monitoring. The latter is aimed at ensuring that all Group functions comply at all times with the assigned limits, Large Exposures and Related Parties limits, and that the Group's counterparties maintain a sufficiently high credit rating.

The CRO Department, on the other hand, carries out systematic monitoring at a centralized and single counterparty level with significant exposure, focusing on the analysis of a series of Early Warning indicators. The Department also carries out second-level controls on the compliance with the Large Exposures limit and on exposures to Related Parties.

Basically, the second level monitoring process carried out by the CRO Department aims to analyze credit quality and risk exposure dynamics by calculating summary risk indicators and representing their evolution over time. Outcomes may be used for preparing action plans aimed at mitigating or avoiding credit risk factors. In particular, the CRO Department prepares the quarterly report on the Group's risk exposures, addressed to the Board of Directors; in this context are highlighted the trend of the loan portfolio and the outcomes of the second level controls carried out in the reference period. With particular reference to the retail portfolio, the report shows the analysis of flows between classifications, the stock of impaired loans and the positions that benefit from payment holidays and the related expected losses. The report also highlights the results of the second level controls carried out in the reference period on the concentration of financial collateral acquired by the Group as credit protection for overdraft facilities. With reference to exposures to financial counterparties, banks and sovereign, the report highlights the results of issuer risk, counterparty risk and country risk monitoring.

Within country risk oversight are monitored several indicators (Worldwide Governance Indicator), developed by a team of researchers in collaboration with the World Bank with the aim of summarizing the effectiveness of the policies implemented by the governmental authorities of different nations, and a specific environmental risk indicator, called ND-Gain, developed by a team of researchers from the US University of Notre Dame. Such indicator considers two fundamental variables: the level of vulnerability of a country to climate change ("vulnerability") and the positioning of the respective nation in terms of economic, social and governance capacity to cope with it ("readiness"). In the end, the two indicators are compared in order to determine that country's exposure to climate and environmental risks.

As envisaged by the IFRS 9 accounting standard, the accounting impairment model adopted for credit exposures is based on (i) an "expected losses" approach instead of the "incurred losses" approach provided by the previous one and (ii) on the concept of the expected lifetime loss. For more details, see section 2.3. Expected losses measurement methods.

Part E - Information on Risks and relating hedging policies

2.3 Expected losses measurement methods

In accordance with IFRS 9 accounting principle, financial assets at amortized cost, financial assets at fair value through other comprehensive income and relevant off-balance sheet exposures are subject to impairment.

These instruments shall be classified in stage 1, stage 2 or stage 3 depending on their absolute or relative credit rating, compared to the initial recognition. In particular:

- Stage 1: this includes newly originated or acquired credit exposures and exposures that have not suffered a significant deterioration in credit risk compared to the date of first recognition;
- Stage 2: this includes performing credit exposures having nevertheless suffered a significant deterioration in credit risk compared to the date of first recognition;
- Stage 3: this includes impaired credit exposures.

For Stage 1 exposures, the impairment is equal to the expected loss calculated on a time frame of up to one year.

For Stage 2 and 3 exposures, the impairment is equal to the expected loss calculated on a timeframe equivalent to the residual duration of the related exposure.

In order to meet the required standard, the Group has developed specific expected loss models. Such models draw on the PD and LGD estimated in conservatively manner, to which specific adjustments have been made in order to ensure full cohesion with the accounting standard.

The expected loss is calculated for institutional counterparties, leveraging on risk parameters provided by the external supplier Moody's Analytics.

In order to calculate expected losses for retail counterparties, not having internal rating systems available, PD and LGD parameters are estimated with a different methodology according to the credit product concerned.

For personal loans, the PD is estimated through a model internally developed by the CRO Department based on the performance of the unsecured loans portfolio of the last 7 years (in consistency with the maximum maturity of the product). The model calculates a PD curve to which each exposure is interpolated according to their maturity. The LGD is calculated considering the average bad loans recovery, determined analytically on the basis of the information provided by the structure responsible for credit collection and on the basis of the loan features.

For mortgage loans, the PD is estimated through a model based on the default rates, developed by the CRO Department. The model developed is based on a weighted logistic regression, which relates the historical default rates on a quarterly basis (dependent variable) with a set of macroeconomic variables. The macroeconomic data used come from the baseline scenarios made available by the external provider Moody's Analytics. The PD model, which translates the effect of expected economic conditions on default rates into an estimate of the overall default risk of the mortgage product, is used to calculate the expected credit losses since December 31, 2024.

Also for mortgages, the LGD is estimated through a model that takes into account the average coverage applied to non-performing exposures, determined and updated on an analytical basis by the debt collection function based on the information available to the Bank, the legal costs for recovery, the amount of the residual debt, and the ratio between the latter and the value of the property used as collateral (Exposure to Value - ETV). It should also be noted that a minimum Loss Given Loss (LGL) floor of 60% is prudentially applied in determining the LGD of mortgages.

For the other exposures, the PD is replaced by the average default rate observed by the transition matrices that record the transition to non-performing, while the LGD is calculated based on the average expected loss of the related bad loans, determined analytically on the basis of the information provided by the credit collection structure, the loan features and any collateral availability.

In calculating the LGD applied to performing positions in the retail portfolio, the Cure Rate is taken into account, which represents the probability that a credit exposure classified as defaulted (Stage 3) is subsequently restored to a performing status (Stage 1 or Stage 2), following recovery or improvement interventions in the debtor's financial situation.

Finally, to implement the provisions of the IFRS 9 accounting principle, the parameter proxies are corrected through prospective analyses called Forward Looking Information.

A key aspect deriving from the IFRS 9 accounting principle is represented by the Stage Allocation model, aimed at transferring exposures between Stage 1 and Stage 2 (Stage 3 being equivalent to that of impaired exposures), where Stage 1 mainly includes newly disbursed exposures and exposures that at the reporting date do not show a significant deterioration in credit risk compared to the initial recognition.

The Stage Allocation assessment model always operates at the level of a single exposure and is based on a combination of relative and absolute elements. The main elements are:

- the comparison between the counterparty rating at the reference date and the rating recorded at origination. The methodology envisages that the position moves to stage 2 when a certain threshold is exceeded, set in terms of notches from the rating recorded at the date of first opening of the relationship;
- absolute elements such as the backstops required by law (e.g. 30 days of past due);
- additional internal and external evidence.

Part E - Information on Risks and relating hedging policies

With reference to institutional counterparties issuing financial instruments that the Group purchases as an investment, or with which the Group carries out credit activities, the approach used is based on the external rating assigned by the agency Moody's. As already mentioned, the methodology envisages that the position moves to stage 2 when a certain threshold is exceeded, set in terms of notches from the rating recorded on the date first recognition.

With reference to retail counterparties, in the absence of internal ratings, the Group monitors a series of warning signals (e.g. interruption of salary crediting, classification of the position as Forborne, etc.) and thresholds (e.g. worsening of the instalment/income ratio, overdraft of the position for a certain number of days, etc.) that highlight a potential deterioration in the creditworthiness of the counterparty of the various types of credit product. For retail exposures classified in stage 2, unlike exposures classified in stage 3, there is no cure period for returning to the former risk class. Consequently, when the conditions for classification in stage 2 cease to exist (e.g. 30 days of past due), provided that there is no further evidence that suggests a deterioration in the creditworthiness of the counterparty, the exposures are automatically reclassified to stage 1.

Please note that, to detect any significant increase in credit risk on positions arising from retail counterparties, the CRO Department is developing a new performance scoring model. Through the statistical analysis of a series of behavioral variables (e.g. current account movements, arrears, etc.), the model assigns to each individual customer a score that represents a synthetic assessment of their creditworthiness. The score is recalculated for each customer at each reference date (monthly), and compared with the score recorded at the first date of recognition. This comparison allows to determine whether there has been a significant increase in credit risk compared to the origination date, and to automatically proceed, if the conditions are met, with the reclassification of positions between stage 1 and stage 2. The model described above, which is scheduled to enter production by September 2025, will replace the current staging allocation approach for retail customers, while remaining consistent with the backstops identified by IFRS 9. From the simulations conducted by the CRO Department, following the introduction of the model, a modest increase in the number of positions classified as stage 2 is expected, with a consequent non-significant increase in value adjustments on loans, which is also non-significant.

The criteria for determining write-downs for loans and receivables are based on the discounting of expected cash flows of principal and interest, which, according to the portfolio management model, may also refer to market operations. In order to determine the present value of cash flows, the basic requirement is the identification of estimated proceeds, the timing of payments and the discounting rate used.

The loss amount on impaired exposures classified as bad loans, unlikely to pay and past due according to the categories specified below, is calculated as the difference between the value at first recognition and the present value of estimated cash flows discounted at the original interest rate of the financial asset.

For all fixed-rate positions, the interest rate determined in this manner is also held constant in future accounting years, while for floating rate positions the interest rate is updated according to contractual terms.

If the original interest rate is not directly available, or where its detection is judged as excessively expensive, the interest rate best approximating the original one is applied, including through practical expedients not affecting the substance and ensure consistency with international accounting standards.

Recovery timings are estimated according to business plans or forecasts based on the experience of historical recovery timings observed for similar classes of loans, taking into account the customer segment, type of loan, type of guarantee and any other factors deemed relevant or, if the conditions exist, of expected market transactions.

Parameters and risk level definitions used in the calculation of provisions

As mentioned above, ECL models leverage on PD, LGD and EAD parameters, as well as the effective interest rate. Models are used for the calculation of provisions for all institutional counterparties, most of which are Financial Institutions, Banks and Sovereigns (FIBS counterparties).

Specifically:

- PD (Probability of Default) expresses the percentage probability that the credit exposure will incur in a default event, within a defined timeline (e.g. 1 year);
- LGD (Loss Given Default) expresses the percentage of estimated loss (1-recovery rate) shall the default event actually occur;
- EAD (Exposure at Default) expresses the measurement of the exposure at the time of the credit position default event;
- Effective Interest Rate is the discount rate expressing the time value of the money.

Such parameters are calculated starting from long period ones, also used for the internal capital calculation, adjusted in order to ensure compliance with the IFRS 9 accounting principle.

The main adjustments are made in order to:

- introduce point-in-time adjustments required by the accounting principle;
- include forward-looking information;
- extend the credit risk parameters to a multi-year perspective.

Part E - Information on Risks and relating hedging policies

In order to get lifetime PD, the through-the-cycle PD curves, obtained from cumulative default rates, were adapted to reflect point-in-time and forward-looking provisions of portfolio default rates.

Recovery rates incorporated in the through-the-cycle LGD have been adapted in order to remove the prudential margin and to reflect the latest trends in recovery rates, as well as expectations on future trends discounted to the actual interest rate or its best approximation.

With reference to Stage 3, it should be noted that it includes impaired exposures to debtors that fall, in accordance with Bank of Italy rules, defined in Circular no. 272 of 30 July 2008 and subsequent updates, into the "Non-performing" category pursuant to Regulation 630/2019 amending Regulation (EU) no. 575/2013 and Commission Implementing Regulation (EU) no. 3117/2024, as amended and supplemented (Implementing Technical Standards). Financial instruments included in the portfolio "Financial assets held for trading" and derivative contracts are excluded.

For the purposes of identifying and classifying impaired credit exposures, account must also be taken of the provisions of the EBA Guidelines on the application of the definition of default pursuant to Article 178 of Regulation (EU) No 575/2013 of the European Parliament and of the Council (EBA/GL/2016/07) and EU Regulation 2018/171. Impaired credit exposures must, during the 3-month "cure period" provided for in paragraph 71(a) of EBA/GL/2016/07, continue to be recognised in the relevant categories in which they were located.

In particular, reference is made to the EBA definition of Non-Performing exposures and to the definition of impaired assets established by the Bank of Italy, as reported in the section Part A - Accounting Policies – Impairment of the notes to the consolidated accounts as at December 31, 2024.

Forward-looking information used in calculating write-downs

The expected credit loss deriving from the parameters described in the forgoing paragraph considers macroeconomic forecasts through the application of multiple scenarios to the forward looking components.

Specifically, the forward looking component is determined by three macroeconomic scenarios, a basic scenario ("Baseline"), a positive scenario and an adverse scenario. The basic scenario is the main reference one, as it is the one considered most likely; the positive and adverse scenarios stand for alternative events, respectively better and worse.

The macroeconomic parameters provided by Moody's Analytics in the context of the baseline scenario, used together with the stressed scenarios to determine the prospective component required by the IFRS 9 accounting principle, are subject to a control activity, aimed at verifying their reliability. The activity includes a comparison with official forecasts released by authoritative sources such as supervisory authorities or international/European institutions and the verification of the consistency of the main macroeconomic variables in the stressed scenarios with respect to the confidence interval used in the development of the scenario.

Assessment of the Significant Increase in Credit Risk (SICR)

As of June 30th, 2025, there are no positions suffering a significant increase in credit risk directly related to the military conflict between Russia and Ukraine.

Measurement of Expected Credit Losses

As of June 30, 2025, for the calculation of Expected Credit losses on performing exposures, the Group has used risk parameters (PD and LGD) adjusted with macroeconomic scenarios provided by the new external supplier Moody's Analytics. Such scenarios incorporate forward looking information which consider the possible evolutions of the war on tariffs between the United States of America and the European Union, of the tensions in the Middle East between the State of Israel and Hamas, and of the military conflict between Russia and Ukraine.

As anticipated in the Expected Credit Losses calculation methodology section, the forward looking component is made of three macroeconomic scenarios; a baseline scenario, a positive scenario and an adverse scenario. The baseline scenario is weighted 40% as it is the one more likely to come true, whereas the positive and adverse scenario are weighted 30% each, and they stand for alternative outcomes, respectively better and worse.

The baseline scenario used to calculate the ECLs as of 30 June 2025 assumes a moderate growth of the economy in the second half of 2025, driven by a timid increase in consumption, and a stronger improvement from 2025 onwards. In particular, the scenario assumes:

- the imposition of substantial tariffs (10%) by the United States of America on the European Union, with an immediate response of increased tariffs by the latter as well, and a persistence of these conditions until the end of 2026
- the failure of peace negotiations between Russia and Ukraine, with a significant reduction in US military aid, only partially offset by increased military support from EU countries;
- that the tensions between the State of Israel and Hamas do not escalate into a regional conflict, and do not significantly affect the supply and price of commodities. It is also assumed that commodity prices will remain stable and that inflation will continue to fluctuate above the target value in the coming months until it reaches it towards the end of 2025. This translates into a moderate growth forecast for the Gross Domestic Product (GDP) of the eurozone at 0.75%.
- that the European Central Bank is moving towards an expansionary monetary policy, driven by the rearmament policies adopted by European countries following the US demand for greater autonomy on defence.

Part E - Information on Risks and relating hedging policies

In Italy, the country in which the Group holds almost all of its exposure to retail customers, the GDP growth forecast for 2025 is estimated in moderate growth to 0.62% due to investments, held back by the end of tax relief measures, and the trade balance, hampered by weak foreign demand and geopolitical uncertainty. A gradual recovery is expected in the following years in view of the reduction in inflation. The debt/GDP ratio is estimated to 136%. The unemployment rate is estimated for 2025 to 6.11%, before settling in the following years at around 6.5%.

Other macroeconomic variables, such as the yield on 10-year government bonds, are considered in the scenarios depending on the credit product and the demographic characteristics of the counterparty to which the Group holds exposure.

The favorable scenario used to calculate the ECL at June 30, 2025 assumes a faster recovery of the global economy and market sentiment thanks to a rapid resolution of the military conflict in Ukraine and the success of negotiations between the US and the EU in avoiding the imposition of excessive tariffs. In Italy, the recovery in economic activity translates into a forecast of GDP growth of 1.6% in 2025. The Debt/GDP ratio forecast for the end of 2025 is 135%. Finally, the unemployment rate is estimated to decrease to 6.10% and then stabilize in the following years.

The adverse scenario used to calculate the ECL at 30 June 2025 instead assumes worsening of European market sentiment due to the application of high tariffs between the US and the EU and fears that the military conflict between Russia and Ukraine could expand to involve other countries. The forecasts in this scenario translate into a contraction of GDP equal to -1.58% in 2025, a further worsening in 2026 (-2.95%) and a gradual recovery in the following years. The debt/GDP ratio is estimated to grow to 148% in 2026. Finally, the Italian unemployment rate is estimated to increase sharply until reaching a peak of 8.16% in 2027 and then slightly decrease in the following years.

As of June 30, 2025, assuming to apply only the positive scenario on the overall Bank's exposures, we would have credit risk adjustments for around € 2 million, whereas assuming to apply only the adverse scenario, credit risk adjustments would be equal to € 6.9 million. Considering all the scenarios mentioned above the Group's estimated credit risk adjustments are equal to € 3.8 million. It should be noted that, in estimating the amounts reported above, the write-backs arising from the sale of securities were not considered. As of June 30, 2025, such write-backs amount to around € 0.3 million.

Below the details of the main macroeconomic assumptions employed in FLI scenarios:

Scenarios	Variables	2025	2026	2027	2028	2029
Baseline (40%)	Eurozone-GDP ($\Delta\%$)	0.99%	1.41%	1.95%	1.64%	1.41%
	ITA-GDP ($\Delta\%$)	0.62%	0.80%	2.01%	1.61%	1.23%
	ITA-Debt/GDP ratio	136%	135%	133%	130%	128%
	ITA-Unemployment rate	6.11%	6.19%	6.33%	6.45%	6.55%
	ITA-Inflation	1.83%	1.96%	1.85%	2.13%	2.21%
Favorable (30%)	Eurozone-GDP ($\Delta\%$)	2.07%	2.58%	1.81%	1.58%	1.36%
	ITA-GDP ($\Delta\%$)	1.60%	1.74%	1.76%	1.55%	1.23%
	ITA-Debt/GDP ratio	135%	131%	128%	125%	123%
	ITA-Unemployment rate	6.10%	6.03%	6.00%	6.02%	6.08%
	ITA-Inflation	2.01%	2.14%	1.77%	2.14%	2.27%
Unfavorable (30%)	Eurozone-GDP ($\Delta\%$)	-1.19%	-2.32%	3.23%	2.49%	1.49%
	ITA-GDP ($\Delta\%$)	-1.58%	-2.95%	3.26%	2.34%	1.28%
	ITA-Debt/GDP ratio	140%	148%	146%	143%	141%
	ITA-Unemployment rate	6.30%	7.39%	8.16%	8.10%	7.79%
	ITA-Inflation	1.36%	1.09%	1.81%	1.90%	2.02%

Part E - Information on Risks and relating hedging policies

2.4 Credit risk mitigation techniques

In order to mitigate the risk in the different forms of credit granting, the Group acquires several types of collateral. For mortgage loans, the Group mainly acquires residential properties as collateral through mortgages, while various types of securities are accepted as pledges on overdraft facilities, including shares, bonds, investment funds, insurance and government securities.

Even when there is a collateral, the Group carries out an overall credit risk assessment, mainly focusing on the customer's earning capacity regardless of the ancillary guarantee provided. The valuation of the pledged guarantees is based on the real value, understood as the market value for securities listed on a regulated market. Percentage haircuts (margins) are applied to the value thus determined, differentiated according to the securities used as collateral and the concentration of the instrument in the customer's portfolio provided as collateral.

For real estate guarantees, the principles and rules are described in the "Normativa erogazione crediti commerciali" policy. In particular, the Group grants its customers loans for a maximum amount equal to 80% of the value of the mortgaged assets. The ratio between the amount of the loan granted and the value of the real estate property, certified as described above, is called Loan To Value (LTV), and is calculated on the entire property covered by the guarantee. Depending on the purpose of the loan (purchase, subrogation, refinancing and liquidity), more stringent LTV limits may be required. As at June 30, 2025, the average LTV of the mortgage portfolio was approximately 44%.

The real estate evaluation is carried out by external technicians included in the Register of Engineers, Architects, Surveyors or industrial experts and is therefore not subject to conflicts of interest. The value of the real estate properties is monitored on an annual basis through market revaluation indices, estimated by an external supplier specialized in real estate market valuations. This activity is aimed at identifying any properties that need revaluation and may also be carried out more frequently if market conditions are subject to significant changes.

For financial collateral, on the other hand, the principles and rules are described in the "Collateral Management" policy. The evaluation of securities takes place by taking into consideration several parameters, including the issue rating, the liquidity class, the capitalization and the inclusion in a recognized index. Such parameters, depending on the type of instrument being valued, may affect not only the eligibility of the instrument itself, but also the margin considered in order to determine the amount of the loan.

The monitoring of the financial collateral value is carried out on a daily basis by automatic procedures that perform the Mark to Market of each individual security booked in the collateral deposits and compare the resulting value with the amount entrusted during the origination phase. In the event of losses exceeding the threshold value, the resolution methods are assessed on a case-by-case basis in agreement with the customer.

Part E - Information on Risks and relating hedging policies

3. Impaired credit exposures

3.1 Management strategies and policies

Impaired exposures correspond, in accordance with Bank of Italy rules, defined in Circular No. 272 of 30 July 2008 and subsequent updates, to the Non-Performing Exposures aggregate set forth in Regulation 630/2019, amending Regulation 575/2013 (CRR) and Commission Implementing Regulation (EU) No. 3117/2024, as amended and supplemented. Financial instruments falling under the portfolio 'Financial assets held for trading' and derivative contracts are excluded.

For the purposes of identifying and classifying impaired credit exposures, the Group also considers the provisions of EBA Guidelines 2016/07 of 18/01/2017 on the application of the Definition of Default contained in Article 178 of Regulation 575/2013 (CRR), supplemented by EU Regulation 2018/171.

This definition of impaired loans converges with the definition of 'impaired' financial assets contained in IFRS 9, resulting in the recognition of all impaired loans within Stage 3.

In identifying impaired exposures, the Group adopts a 'per debtor' approach, therefore, it is the entire counterparty of the credit relationship that is classified and not individual credit lines granted to the same counterparty.

The classification as non-performing, linked to the customer's insolvency, is always analytical and defined on the basis of the progress of credit recovery actions. The loss forecast for positions classified as probable default and impaired past due is also analytical.

Receivables derecognition and, therefore, the passage from one status to another towards lower classifications are only authorised in the event of complete payment of the overdue amount considered with respect to the original amortisation plan or in the event of substantial agreed payments that lead to the belief that the repayment of the debt exposure is very probable.

The procedures for the management of abnormally performing receivables envisage, based on the seniority of the overdue amount, specific actions for the recovery of the receivable.

3.2 Write-off

The Group records a write-off of a financial asset whenever there are no reasonable expectations of recovering capital and interests.

The evaluations on possible write-offs are implemented based on different criteria, listed below (by way of example and not exhaustive), such as:

- untraceable of borrower and/or guarantor, if present;
- lack of enforceable assets (i.e. lack of salary, real estate);
- unprofitable and expensive judicial actions in relation to the receivable;
- decease of the debtor and possible no living heirs and / or renunciation of the inheritance.

In any case, the Group policy is to not continue recovery activities after a write-off has been recorded.

3.3 Purchased or originated impaired financial assets

The Group's current business model and company policies approved by the Board of Directors do not expect any purchase of impaired loans or origination of new credit facilities in any form (personal loans, mortgages, current account credit facilities, etc.) to already non-performing customers.

4. Commercial renegotiations and forbearance measures

Renegotiations of financial instruments determining a change in the contractual terms are recognized, as described above, according to the materiality of variations in the contractual terms. The evaluation of the materiality of changes shall be carried out considering both qualitative and quantitative terms, in particular whenever liabilities are concerned. For more details reference is made to the paragraph "Renegotiations" on part A – Accounting policies of the Notes to the consolidated financial as of December 31, 2024.

As of June 30, 2025, no relevant increase in forbearance measures have been detected.

Part E - Information on Risks and relating hedging policies

Quantitative information

A. Credit quality

As provided for in Circular No. 262 "The banks' financial statements: layouts and preparations", on-demand loans to banks and central banks, recognised in the balance sheet item "Cash and cash balances", are included in the definition of cash credit exposures but are conventionally excluded from the tables on quantitative credit quality disclosures in Section 2 "Risks of the prudential consolidation", with the exception of table A.1.4.

A.1 Impaired and unimpaired credit exposures: amounts, impairment, changes, distribution by business activity

A.1.1 Prudential consolidation: distribution of financial assets by maturity bands (balance sheet values)

(Amounts in € thousand)

Portfolios / stages of risk	Stage 1			Stage 2			Stage 3			Purchased or originated credit-impaired		
	From 1 day to 30 days	Over 30 days until 90 days	Over 90 days	From 1 day to 30 days	Over 30 days until 90 days	Over 90 days	From 1 day to 30 days	Over 30 days until 90 days	Over 90 days	From 1 day to 30 days	Over 30 days until 90 days	Over 90 days
1. Financial assets at amortised cost	36,313	72	303	4,008	3,367	1,146	98	79	5,141	-	-	-
2. Financial assets at fair value through other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
3. Financial instruments classified held for sale	-	-	-	-	-	-	-	-	-	-	-	-
Total 06/30/2025	36,313	72	303	4,008	3,367	1,146	98	79	5,141	-	-	-
Total 12/31/2024	28,102	54	225	1,195	4,925	1,110	88	216	3,065	-	-	-

Part E - Information on Risks and relating hedging policies

A.1.4 Prudential Consolidated - Cash and off-balance sheet credit exposures to banks: gross and net values

(Amounts in € thousand)

	Gross exposures					Total impairments and total provisions						
Type of exposure/amounts											Net Exposure	Total Write-off*
	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired		Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired			
A. ON-BALANCE SHEET CREDITS EXPOSURES												
A.1 ON DEMAND	1,603,866	1,603,866	-	-	-	(78)	(78)	-	-	-	1,603,788	-
a) Non performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	1,603,866	1,603,866	-	X	-	(78)	(78)	-	X	-	1,603,788	-
A.2 OTHERS	2,702,932	2,702,849	80	-	-	(191)	(191)	-	-	-	2,702,741	-
a) Bad exposures	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
b) Unlikely to pay	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
c) Non performing past due	-	X	-	-	-	-	X	-	-	-	-	-
- of which: forborne exposures	-	X	-	-	-	-	X	-	-	-	-	-
d) Performing past due exposures	-	-	-	X	-	-	-	-	X	-	-	-
- of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
e) Other performing exposures	2,702,932	2,702,849	80	X	-	(191)	(191)	-	X	-	2,702,741	-
- of which: forborne exposures	-	-	-	X	-	-	-	-	X	-	-	-
TOTAL (A)	4,306,798	4,306,715	80	-	-	(269)	(269)	-	-	-	4,306,529	-
B. OFF-BALANCE SHEET CREDITS EXPOSURES												
a) Non performing	-	X	-	-	-	-	X	-	-	-	-	-
b) Performing	795,940	17,170	-	X	-	-	-	-	X	-	795,940	-
TOTAL (B)	795,940	17,170	-	-	-	-	-	-	-	-	795,940	-
TOTAL (A+B)	5,102,738	4,323,885	80	-	-	(269)	(269)	-	-	-	5,102,469	-

It should be noted that financial assets held for trading, derivative contracts and off-balance sheet transactions other than those subject to the impairment rules under IFRS 9 have been classified, by convention, as non-impaired exposures, but have not been included in the columns providing a breakdown by risk stage.

In the above table, item B. "Off-balance sheet exposures" includes the counterparty risk related to repos that can be classified as "Securities Financing Transactions" (SFT) defined in prudential regulations, amounting to € 167,592 thousand.

Part E - Information on Risks and relating hedging policies

A.1.5 Prudential consolidation - Cash and off-balance-sheet exposures to customers: gross and net values

(Amounts in € thousand)

Type of exposure/Amounts	Gross exposures					Total impairments and total provisions					Net Exposure	Total Write-off*
	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired				
A. ON-BALANCE SHEET CREDITS EXPOSURES												
a) Bad exposures	15,857	X	-	15,857	-	(14,821)	X	-	(14,821)	-	1,036	-
- of which: forborne exposures	266	X	-	266	-	(261)	X	-	(261)	-	5	-
b) Unlikely to pay	7,646	X	-	7,646	-	(5,463)	X	-	(5,463)	-	2,183	-
- of which: forborne exposures	1,166	X	-	1,166	-	(567)	X	-	(567)	-	599	-
c) Non performing past due	6,797	X	-	6,797	-	(2,296)	X	-	(2,296)	-	4,501	-
- of which: forborne exposures	63	X	-	63	-	(41)	X	-	(41)	-	22	-
d) Performing past due exposures	45,817	36,889	8,928	X	-	(609)	(202)	(407)	X	-	45,208	-
- of which: forborne exposures	178	-	178	X	-	(1)	-	(1)	X	-	177	-
e) Other performing exposures	28,930,571	28,886,159	44,322	X	-	(13,664)	(8,684)	(4,981)	X	-	28,916,907	-
- of which: forborne exposures	2,549	-	2,549	X	-	(13)	-	(13)	X	-	2,536	-
TOTAL (A)	29,006,688	28,923,048	53,250	30,300	-	(36,853)	(8,886)	(5,388)	(22,580)	-	28,969,835	-
B. OFF-BALANCE SHEET CREDITS EXPOSURES												
a) Non performing	1,392	X	-	24	-	(8)	X	-	(8)	-	1,384	-
b) Performing	4,244,375	37,350	1,207	X	-	(68)	(67)	(1)	X	-	4,244,307	-
TOTAL (B)	4,245,767	37,350	1,207	24	-	(76)	(67)	(1)	(8)	-	4,245,691	-
TOTAL (A+B)	33,252,455	28,960,398	54,457	30,324	-	(36,929)	(8,953)	(5,389)	(22,588)	-	33,215,526	-

It should be noted that financial assets held for trading, derivative contracts and off-balance sheet transactions other than those subject to the impairment rules under IFRS 9 have been classified, by convention, as non-impaired exposures, but have not been included in the columns providing a breakdown by risk stage.

In addition, in the above table, item B. "Off-balance sheet exposures" includes the counterparty risk related to securities lending transactions and to repos that can be classified as "Securities Financing Transactions" (SFT) defined in prudential regulations, amounting to € 363,736 thousand.

Starting in the 2025 financial year, item B. "Off-balance sheet exposures" includes the credit limit for credit cards issued by FinecoBank. These credit limit exposures have been included in the definition of commitment starting in 2025, consistent with the entry into force of Regulation (EU) 1623/2024, which defines a commitment as any contractual agreement that an institution offers to a customer and is accepted by the customer to grant credit, purchase assets, or issue credit substitutes, as well as any such agreement that may be unconditionally cancelled by an institution at any time without notice to the borrower, or any agreement that may be cancelled by an institution if the borrower fails to meet the conditions set forth in the credit facility documentation, including any conditions that the borrower is required to satisfy prior to any initial or subsequent drawdown under the agreement, except when the contractual agreements satisfy specific conditions set forth in the regulation itself.

Part E - Information on Risks and relating hedging policies

B.4 Large exposures

As at 30 June 2025, the "risk positions" constituting a "large exposure" pursuant to the Commission Implementing Regulation (EU) No 3117/2024 of 29 November 2024 which establishes technical implementation rules with regard to the reporting of entities for supervisory purposes in accordance with Regulation (EU) No 575/2013 of the European Parliament and of the Council, and subsequent Regulations that modify the content, are the following:

- book value: € 26,990,734 thousand, excluding the reverse repo transactions and indirect exposures as defined below;
- non-weighted value: € 30,627,252 thousand, including repurchase agreements and indirect exposures;
- weighted value: € 1,452,042 thousand, including repurchase agreements and indirect exposures;
- number of "risk positions": 32.

It should be noted that, in accordance with the EBA Guidelines on connected customers pursuant to Article 4, paragraph 1, point 39) of CRR, the large exposures also include counterparties with links to central governments that, although they do not individually exceed the 10% threshold of the eligible capital for large exposures, exceed this limit when the exposure to the sovereign to which they are linked by a control relationship is also considered.

It should be also noted that CRR, introduced the requirement to apply the "Substitution Approach", whereby an Institution, when reducing its exposure to a client using a credit risk mitigation technique eligible under Article 399, paragraph 1, treats, in the manner set out in Article 403, the portion of the exposure corresponding to the reduction as an exposure to the protection provider rather than to the client. This implies compliance with the limits set by Article 395 CRR on the sum of direct exposures to clients and exposures represented by collateral received ("indirect exposures"). In addition, the Regulation requires institutions add to the total exposures toward a client the exposures arising from derivative contracts where the contract has not been directly concluded with that client but the underlying debt or equity instrument has been issued by that client ("indirect exposures").

Finally, please note that deferred tax assets within the exposure towards the Italian Central Government have been exempted and, therefore, their weighted value is null.

Part E - Information on Risks and relating hedging policies

Information on exposures in securities issued by Sovereigns

The Group is exposed to the sovereign debt of some countries, having invested a portion of its assets in debt securities issued by Sovereigns and recognized in the caption "Financial assets designated at fair value through other comprehensive income" and in "Financial assets at amortised cost". The following table shows the face value, the book value and the fair value of these exposures as at June 30, 2025. The Group is exposed to securities issued by Sovereigns which are classified under the caption "Other financial assets mandatorily at fair value" accounts for € 60 thousand.

In addition, the Group hold investments in debt securities issued by Supranational institutions, Agencies and local authorities accounted for in "Financial assets at fair value through other comprehensive income" and "Financial assets at amortised cost".

(Amounts in € thousand)

	Nominal value as at	Carrying amount as at	Fair value as at	% Financial statements item
	06/30/2025	06/30/2025	06/30/2025	06/30/2025
Italy	6,117,195	6,099,018	6,019,687	17.2%
Financial assets at amortised cost	6,117,195	6,099,018	6,019,687	19.4%
Spain	4,092,000	3,930,869	3,899,412	11.1%
Financial assets at amortised cost	4,092,000	3,930,869	3,899,412	12.5%
Germany	175,000	172,268	164,437	0.5%
Financial assets at amortised cost	175,000	172,268	164,437	0.5%
France	1,681,500	1,668,017	1,562,205	4.7%
Financial assets at fair value through other comprehensive income	58,000	53,001	53,001	17.6%
Financial assets at amortised cost	1,623,500	1,615,016	1,509,204	5.1%
U.S.A.	665,529	670,284	668,838	1.9%
Financial assets at amortised cost	665,529	670,284	668,838	2.1%
Austria	976,000	971,577	924,701	2.7%
Financial assets at amortised cost	976,000	971,577	924,701	3.1%
Ireland	899,500	878,172	865,526	2.5%
Financial assets at amortised cost	899,500	878,172	865,526	2.8%
Belgium	925,000	950,251	904,971	2.7%
Financial assets at amortised cost	925,000	950,251	904,971	3.0%
Portugal	330,000	358,581	337,951	1.0%
Financial assets at amortised cost	330,000	358,581	337,951	1.1%
Switzerland	32,096	32,646	32,597	0.1%
Financial assets at amortised cost	32,096	32,646	32,597	0.1%
Saudi Arabia	90,000	90,080	81,310	0.3%
Financial assets at amortised cost	90,000	90,080	81,310	0.3%
Chile	203,100	210,918	182,922	0.6%
Financial assets at amortised cost	203,100	210,918	182,922	0.7%
China	165,832	165,584	145,354	0.5%
Financial assets at amortised cost	165,832	165,584	145,354	0.5%
Latvia	30,000	29,819	25,350	0.1%
Financial assets at amortised cost	30,000	29,819	25,350	0.1%
Iceland	15,000	14,982	14,016	0.0%
Financial assets at amortised cost	15,000	14,982	14,016	0.0%
Netherlands	50,000	55,395	55,568	0.2%
Financial assets at amortised cost	50,000	55,395	55,568	0.2%
Total sovereign exposures	16,447,752	16,298,461	15,884,845	46.1%

The % reported in line with Sovereign counterparties and in the item "Total Sovereign exposures" have been determined on the Group's total assets, whereas those reported in line with the balance sheet items have been determined on the total of the individual items of the financial statements indicated.

Please note that securities denominated in currencies other than euro have been converted into euro according to the spot exchange rate at the reference date of the financial statements.

As at June 30th, 2025, investments in debt securities issued by Sovereign States accounted for 46.1% of the Group's total assets and none of them were structured debt securities.

Part E - Information on Risks and relating hedging policies

The following table shows the sovereign ratings as at June 30th, 2025 for countries to which the Group is exposed, provided by Fitch Ratings, Moody's and Standard & Poor's.

	Moody's	Fitch Ratings	Standard & Poor's
Italy	Baa3	BBB	BBB+
Spain	Baa1	A-	A
Germany	Aaa	AAA	AAA
France	Aa3	AA-	AA-
USA	Aa1	AA+	AA+
Austria	Aa1	AA	AA+
Ireland	Aa3	AA	AA
Belgium	Aa3	A+	AA
Portugal	A3	A-	A
Switzerland	Aaa	AAA	AAA
Saudi Arabia	Aa3	A+	A+
Chile	A2	A-	A+
China	A1	A	A+
Latvia	A3	A-	A
Iceland	A1	A	A+
Netherlands	Aaa	AAA	AAA

Part E - Information on Risks and relating hedging policies

1.2 - Market risk

Market risk derives from changes in market variables (interest rates, securities prices, exchange rates, etc.) affecting the economic value of the Group's portfolio. The latter includes assets held in the trading book (assets held for trading) as well as those in the banking book, i.e. the transactions connected to strategic investment choices.

During the first half of 2025, no impacts on the market risk profile resulting from the the Russia-Ukraine military conflict were recorded. Furthermore, no impacts on the market risk profile resulting from the aforementioned events were recorded during the first half 2025, neither with regard to the banking book nor with regard to the trading book.

Risk Management Strategies and Processes

The Board of Directors of FinecoBank sets strategic guidelines for market risks taking, approves the market risk general framework and any significant changes, relating to the organisational structure, strategies, and methodologies and defines maximum risk appetite level.

The strategic approach of the Group is to maintain the minimum level of market risk compatibly with business needs and the limits established by the Risk Appetite Framework approved by the Board of Directors.

Market risk in FinecoBank is defined through two sets of limits:

- Overall measures of market risk (e.g. VaR): measure the overall exposure to market risks and are used to calculate the absorption of internal and/or regulatory capital and to monitor economic losses for the Trading Book and/or the aggregated Trading and Banking Book activities;
- Granular measures of market risk: represent a further cascading down compared to the overall measures, allowing to obtain a more detailed view aimed at controlling more effectively and specifically different types of risk, portfolios and products. These limits are generally associated with granular sensitivity measures, sensitivities obtained in stress scenarios and maximum nominal exposures. The levels set for granular measures aim to limit excessive exposure to single risk factors or concentration in specific portfolios in order to limit and monitor risks that would otherwise remain aggregated within VaR measures.

Structure and Organisation

The Market & Liquidity Risk function, within the CRO Department, in full compliance with local legal and regulatory obligations is tasked primarily – but not exclusively – with:

- defining, implementing and refining adequate metrics at a global level to measure the exposure to market and liquidity risk;
- proposing, based on the defined metrics, risk limits consistent with the risk appetite approved by the Board of Directors;
- calculating risk metrics for the global and granular measures for the Group's portfolios;
- checking that the measurements are consistent with the approved limits;
- initiating the escalation process when limits are exceeded, engaging the Group's Top Management;
- discussing and approving new products with innovative and complex market risk profiles;
- developing and maintaining the internal capital calculation model for market risk;
- defining and enforcing the liquidity class allocation methodology for financial instruments;
- monitoring and executing sensitivity analysis on the banking book within interest rate risk measurement, in consistency with the applicable legislation and the best market practices.
- defining and revising the pricing limits on financial instruments and ensuring the related periodic monitoring;
- systematically verifying compliance with the operational limits applicable to the internalization and dealing on own account business.

Risk measurement and reporting framework

Trading Book

The main tool used by the Group to measure the market risk of trading positions is Value at Risk (VaR), calculated using the historic simulation approach.

The historic simulation method involves the daily revaluation of positions on the basis of market price trends over an appropriate observation period. The resulting distribution of profits and losses is analysed to determine the effect of extreme market fluctuations on portfolios. The percentile value of the distribution corresponding to the set confidence level represents the VaR. The following parameters are used to calculate the VaR: confidence level 99%; time horizon of 1 day; daily update of the time series; observation period of 250 days.

Part E - Information on Risks and relating hedging policies

Banking Book

The primary responsibility for monitoring and controlling Market Risk management in the banking book lies with the Group's competent Bodies. The Parent Company CRO Department is responsible for monitoring market risk on the banking book by defining the structure, the relevant data and the frequency for adequate reporting.

Market risk in the banking book mainly consists of credit spread risk, interest rate risk and exchange rate risk. The first one mainly arises from investments in debt securities held for liquidity purposes. Market risk associated with the bond portfolio is monitored and restrained by limits on the notional amount, Economic Value sensitivity and the Value at Risk.

The second one, interest rate risk, refers to the possibility that changes in interest rates may have a negative impact on the economic value of the Group's net assets. Furthermore, changes in interest rates could lead to significant reductions in the interest margin, with direct consequences on the income statement. For this reason, the measurement of interest rate risk for the banking book concerns the dual aspect of value and net interest margin. In particular, the two complementary perspectives with which interest rate risk is assessed are:

- Economic value perspective: variation in interest rates can affect the economic value of assets and liabilities. The economic value of the Group may be viewed as the present value of the expected net cash flows, defined as the expected cash flows on assets minus the expected cash flows on liabilities. A relevant risk measure from this perspective is the economic value sensitivity per time bucket for a 1 basis point rate shock. Such measure is considered relevant to assess the economic value impact of various changes in the yield curve. The economic value sensitivity is also calculated for a 200bp parallel shock. A monitoring variable from this perspective is the value at risk resulting from interest rate risk component only;
- Income perspective: the focus of analysis is the impact of changes of interest rates on accrued or reported Net Interest Income that is the difference between revenues generated by interest sensitive assets and the cost related to interest sensitive liabilities. An example of a risk measure used is the Net Interest Income sensitivity for a 200 bp parallel shock in rates. Such measure provides an indication of the impact that such a shock would have on the net interest margin over the next 12 months.

The third one is exchange rate risk. This exposure mainly derives from a mismatching of assets and liabilities in USD. Exchange rate risk is hedged through the matching of assets and liabilities denominated in currency or through spot transactions in foreign currencies.

Procedures and methodologies for valuation of Trading Book positions

The Group ensures that the value applied to each trading book position appropriately reflects the current fair (market) value, i.e. the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The fair value of each financial instrument is based on, or derived from, observable market prices or inputs. The availability of observable prices or other market variables differs by product and market, and might change over time.

If observable prices or parameters are readily and regularly available (i.e. satisfying adequate liquidity requirements), they are directly employed in the determination of fair value (mark-to-market).

In non-active markets or for certain instruments, for which observable prices or inputs are not available, fair value is calculated using valuation techniques that are appropriate for the specific instrument (mark-to-model). This approach involves estimation and judgement, therefore, it might require valuation adjustments in order to take into account bid-ask spreads, liquidity and counterparty risk, besides the employed pricing model. In addition, each pricing model used for *fair value* calculation is validated by a dedicated function independent from business units.

In order to ensure an adequate separation between developing functions and validating functions, all valuation models developed shall be centrally tested and validated by functions fully independent from those that have developed the model thereof. Model validation is also centrally carried out for any new system or analysis tool whose outcome has a potential impact on the Group's economic results.

In addition to daily marking to market or marking to model, the CRO Department carries out an Independent Price Verification (IPV). This is the process through which market prices or model inputs are regularly verified for accuracy and independence. Whereas marking to market or marking to model may be performed daily by front-office dealers, the verification of market prices and model inputs is performed on a monthly basis.

Part E - Information on Risks and relating hedging policies

Risk measures

VaR

For the purpose of measuring global market risks, the Group uses Value at Risk (VaR) metrics calculated according to the historical simulation method. These metrics measure the maximum potential loss for a specific portfolio, in a given time interval and a specific pre-established confidence level. The historical simulation method involves the daily revaluation of positions on the basis of the vectors of returns observed for each risk factor, over an appropriate observation time interval. The resulting distribution of profits and losses is analysed to determine the effect of extreme market movements on the portfolios under analysis. The value of the distribution at the percentile corresponding to the established confidence interval represents the VaR measure.

The selected model has several advantages:

- it is easy to understand and communicate;
- it does not require any specific assumptions about the functional form of the distribution of yields of the risk factors;
- it does not require an estimation of the variance-covariance matrix of the market factors that may affect the value of the portfolio.
- it captures the correlation structure reflected in the simultaneous changes in market factors, implicitly assuming that it will remain constant in the future.

On the other hand, VaR models based on historical simulations do not provide any information on the amount of the loss exceeding the VaR. This why the Group's framework uses additional instruments such as stress tests.

1.2.1 Interest rate risk and price risk – regulatory trading book

Qualitative information

A. General Matters

The trading book is used to hold debt securities (ordinary and subordinated, structured and plain vanilla), equity instruments, and certificates – listed and non-listed – related to brokerage activities with retail customers.

The Group does not perform proprietary trading and does not assume directional speculative positions in its books. Accounting movements in the Group's trading book are recorded against brokerage activities with retail customers, in particular with regard to trading activity for the dealing on own account, according to which the FinecoBank becomes a direct counterparty to its clients. Such activity, which also include systematic internalization for a set of predefined securities and market making on the certificates issued by FinecoBank, is performed as a result of the options introduced by the MiFID which allow the execution of orders for financial instruments in a number of execution venues including internal execution.

B. Processes for managing and methods for measuring interest rate risk and price risk

For a characterization of both internal risk monitoring, managing processes and risk assessment methodologies, please refer to the introduction.

Quantative information

3. Regulatory trading book: internal models and other methods of sensitivity analysis

The Group monitors the VaR of the Trading Book on a daily basis.

As at June 30, 2025, the daily VaR of the trading book amounted to € 255 thousand. The average for the first half of 2025 is € 224 thousand, with a maximum peak of € 428 thousand and a minimum of € 68 thousand.

The volatility in the price of instruments determines direct impacts on the income statement.

Part E - Information on Risks and relating hedging policies

1.2.2 Interest rate risk and price risk – banking book

Qualitative information

A. General aspects, management processes and measurement methods for interest rate risk and price risk

Interest rate risk consists of changes in interest rates affecting:

- the net interest margin, thus, the Group's earnings;
- the net present value of assets and liabilities, as well as the present value of future cash flows.

The Group measures and monitors interest rate risk daily, within the methodological framework and the corresponding limits or thresholds approved by the Board of Director. Such limits concern to the sensitivity of the net interest margin and the economic value.

Interest rate risk represents the current and prospective risk of a negative impact on the economic value of the institution's equity or on its interest margin and has an impact on every position resulting from strategic investment decisions (banking book).

The main sources of interest rate risk may be classified as follows:

- gap risk: risk arising from the maturity structure of interest rate-sensitive instruments, resulting from differences in the timing of their rate changes. This risk includes both changes in the maturity structure of interest rates that occur uniformly across the entire yield curve (parallel risk) and those that occur differently depending on the reference period (non-parallel risk).
- basis risk: risk arising from the impact of relative changes in interest rates on interest rate-sensitive instruments, which, despite being similar in terms of maturity, are priced using different benchmark indices. Basis risk arises from imperfect correlation in the adjustment of rates earned and paid on different interest rate sensitive instruments with otherwise similar rate variation characteristic;
- option risk: risk arising from the presence of options, both implicit and explicit, that allow the entity or its customers to change the size and timing of their cash flows.

Within the organisational framework described above, the Board of Directors approves risk appetite and the risk limits concerning interest rates. These limits are set in terms of Economic Value Sensitivity (EV) and Net Interest Income Sensitivity (NII).

With reference to the Economic Value Sensitivity, in order to assess the effects of changes in the interest rate curve on the banking book, scenario analyzes are carried out on a weekly basis which envisage multiple changes in the rate curve, both parallel (+/- 200 bps) and non-parallel. Among these, the six standardized scenarios - Supervisory Outlier Tests (see paragraph 2 "Banking book: internal models and other methods for sensitivity analysis") - defined by the EBA guidelines in force from time to time.

The sensitivity analysis of the economic value of the worst SOT scenario is monitored within the Risk Appetite; compliance with the specific risk thresholds is subject to quarterly reporting to the Corporate Bodies.

The NII Sensitivity indicator is calculated by applying two parallel shock scenarios envisaged by the SOT, which reflect the assumptions underlying the valuations of EV sensitivity scenarios and are calculated as defined by the EBA guidelines in force from time to time.

The sensitivity analysis on the net interest income is monitored within the Risk Appetite as well by applying the parallel worst case scenario.

The market risk framework also includes a plurality of metrics which might be defined as global, for example Interest Rate VaR, and granular, for example BP01 (Basis Point 01) sensitivity and are monitored on a daily basis. Starting from January 2025, these metrics have also been included in the Risk Appetite Framework, where they are monitored with respect to specific thresholds (Risk Appetite, Risk Tolerance and Risk Capacity), the violation of which triggers dedicated escalation processes.

The Risk Appetite Framework envisages risk limits in terms of VaR of the banking book and the trading book in which interest rate risk is a component (calculated using the method described above). Within the banking book, VaR is a measure of the Credit Spread Risk in the Banking Book (CSRBB).

For more details reference is made to section 2. *Banking book: internal models and other methods of sensitivity analysis*.

Part E - Information on Risks and relating hedging policies

Focus on the bond portfolio

With specific reference to the HTC portfolio of FinecoBank, which as of June 30, 2025 is mainly composed of government bond instruments (securities issued by States, supranational issuers and international governmental organizations), changes in interest rates could determine positive or negative changes in fair value, which, as required by the accounting principles with reference to the instruments classified in the HTC portfolio, are not accounted for in the income statement. It should also be noted that as of June 30th, 2025, a significant portion of the securities portfolio, equal to € 6,476.9 million, is hedged by derivative financial instruments, which by nature have a sensitivity opposite to that of the hedged asset. The sensitivity of the rate risk at +100 bps of the securities hedged by derivative contracts amounts to € -271 million, while the sensitivity of the related hedging derivatives amounts to € +261.5 million.

Focus on real estate investments

As of June 30th, 2025, the Group does not hold significant investments in the real estate sector. The only exception is the property located in Milan, where the parent company FinecoBank has its registered office. For this property, the market value was determined by an external valuer and is made up of the sum of the discounted expected cash flows and the value of the asset discounted at the end of the assumed time period. The discount rate, better known as WACC (from the English acronym Weighted Average Cost of Capital), applied for the appraisal of the property, represents the expected return that the real estate investment must generate to remunerate creditors, any shareholders and other capital providers. The fair value amounts to € 79.9 million, the sensitivity to the discount rate (WACC) amounts to € - 8 million in the +100 bps scenario, and to € 19.7 million in the - 200 bps scenario, respectively.

Quantative information

2. Banking book: internal models and other methods of sensitivity analysis

In order to measure interest rate risk in the Group's financial statements it is necessary to measure the sensibility of loans and deposits to changes in the yield curve. FinecoBank has developed specific behavioural models aimed at estimating the maturity profile of asset and liability items that do not have a contractual maturity; indeed, even though some assets and liabilities may be payable on demand, they could actually show some stickiness.

EU IRRBB Template

The assessments contained in the EU IRRBB Template report the exposure of the interest rate risk metrics on June 30th, 2025 and December 31st, 2024. For further information on the applied scenarios, please refer to the qualitative information section on Interest Rate Risk.

(Amounts in € thousand)

Supervisory shock scenarios	a		b		c		d	
			Changes of the economic value of equity				Changes of the net interest income	
			06/30/2025	12/31/2024	06/30/2025	12/31/2024	06/30/2025	12/31/2024
1 Parallel Up			(66,061)	(55,518)	103,414	110,277		
2 Parallel Down			31,472	21,860	(205,849)	(225,974)		
3 Steepener shock			71,446	69,351	-	-		
4 Flatten shock			(158,817)	(149,847)	-	-		
5 Short rates Up			(164,327)	(155,754)	-	-		
6 Long rates Down			88,920	81,766	-	-		

The table shows the results of the so-called Supervisory Outlier Tests scenarios, as described in the previous paragraph, conducted on the economic value and on the interest margin. With reference to the Economic Value, the results show a negative sensitivity in the event of an increase in interest rates (parallel up or short rates up), while a positive sensitivity in the event of an increase in interest rates (parallel down or long rates down scenarios). The sensitivity analysis on the interest margin shows a positive impact in the upward shift on the interest rate curve, while a negative impact in the downward one.

In addition to the SOT scenarios described above, the Bank conducts weekly regulatory sensitivity analysis on the Economic Value with parallel scenarios of +/- 200 bps. Assuming a shift of +200 basis points on the euro interest rate curve, the analysis shows a negative impact of € -66,488 thousand. A shift of -200 basis points shows a positive impact of € 31,359 thousand.

With reference to the remaining interest rate risk measures, it should be noted that the sensitivity analysis on the value of equity assuming a shift of + 1 basis point (BP01) shows a negative impact which totals € -293 thousand.

As at June 30th, 2025, the Group's Interest Rate VaR (*Holding period 1 day, 99% confidence interval) stood at around € 8,435 thousand. The average for the first half of 2025 is equal to € 7,075 thousand with a maximum peak of € 8,487 thousand and a minimum of € 4,931 thousand.

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The total VaR, including the Credit Spread Risk component deriving mainly from sovereign securities held for the use of liquidity, is equal to € 19,375 thousand. The average for the first half of 2025 is equal to € 20,917 thousand with a maximum peak of € 21,999 thousand and a minimum of € 19,375 thousand.

1.2.3 Exchange Rate Risk

Qualitative information

A. General aspects, management processes and measurement methods for exchange rate risk

As part of its treasury activities, the Group collects funds in foreign currencies, mainly US dollars, through customer deposits, subsequently investing these funds mainly in bank deposits and bonds with leading credit institutions, denominated in the same currency. The impact on balance sheet items is estimated through the Forex VaR indicator.

The VaR of the Group's positions is not used for the calculation of Pillar 1 capital requirement, as it is not required by the selected traditional standardised approach. The metric described is therefore only used for managerial and risk monitoring purposes.

B. Exchange rate risk hedging

Exchange rate risk is hedged through the matching of assets and liabilities denominated in currency or through spot transactions in foreign currencies.

The component of exchange rate risk that contributes to the formation of the overall VaR is usually tied to the temporal mismatch between assets and liabilities in US dollars.

Quantitative information

2. Internal models and other methods of sensitivity analysis

As at June 30th, 2025, the daily Forex VaR of the overall portfolio (banking and trading books) was approximately € 64 thousand. The average for the first half of 2025 is equal to € 65 thousand with a maximum peak of € 129 thousand and a minimum of € 36 thousand.

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1.4 - Liquidity Risk

Qualitative information

A. General aspects, management processes and measurement methods for liquidity risk

Liquidity risk can be briefly defined as the risk that the Group, also due to unexpected future events, may be unable to meet its payment obligations or to efficiently match expected cash inflows and outflows.

The different types of liquidity risk managed by the Group are as follows:

- short-term liquidity risk refers to the risk of non-compliance between the amount and / or deadlines of incoming and outgoing cash flows in the short term (less than one year);
- market liquidity risk is the risk that the Group may face significant and adverse price change, generated by exogenous and endogenous factors resulting in losses, through the sale of assets considered liquid. In the worst case, the Group may not be able to liquidate the positions thereof;
- structural liquidity risk is defined as the Group's inability to procure, in a stable and sustainable manner, the necessary funds to maintain an adequate ratio between medium / long-term assets and liabilities (over one year) at reasonable price without impacting the daily operations or the financial situation of the Group;
- stress or contingency risk is linked to future and unexpected obligations (for example withdrawals from deposits) and may require the bank to have a greater amount of liquidity than the one considered necessary to manage the ordinary business;
- financing risk, is the risk that the Group may not be able to deal effectively with any planned cash outflows.

In order to deal with its exposure to liquidity risk, the Group invests the part of its liquidity estimated by internal models as persistent and stable (so-called core liquidity) into medium/long-term investments. The amount of liquidity characterized by a lower persistence profile (so-called non-core liquidity) is employed in liquid or easily liquidable assets, such as, for example, demand deposits, short-term loans or government securities that can be used as a short-term source of funding at the Central Bank.

At the reporting date, there were no "Contingent liquidity and funding needs", such as, for example, accelerated repayment clauses or the issue of additional guarantees relating to a downgrade of the Group.

The key principles

The Group's purpose is to maintain liquidity at a level that allows to conduct the main operations safely, finance its activities at the best rate conditions in normal operating circumstances and always remain in a position to meet payment commitments. In particular, the investment policy consider as a priority, among all prudential criteria, the liquidability of the instruments; the outcome of this policy translates into liquidity indicators exceeding by far minimum regulatory requirements.

The Group has a "Group Liquidity Policy", directly applicable to the Parent Company and its Legal Entities, which defines the set of principles and rules that oversee the management of liquidity and related risks in the Group. In particular, the Policy describes the management of liquidity and its risks in standard and crisis conditions, first and second level control activities and the Group's related governance, defining roles and responsibilities of corporate Bodies and functions, both for the Parent Company and its Legal Entities, ensuring consistency between the liquidity risk contingency plan, the capital contingency plan, the Group Risk Appetite Framework and the Group Recovery Plan.

Roles and responsibilities

The "Group Liquidity Policy" establishes the principles adopted in terms of internal governance, which envisage the involvement of the Treasury and Risk Management functions.

The operational management of liquidity is carried out by the Treasury department, which ensures effective and efficient management of liquidity in the short and medium/long term, monitoring of liquidity exposure and first-level controls on the management process.

The Risk management function is responsible for monitoring compliance with limits and implementing the rules on liquidity risk, the implementation of selected risk metrics and the assessment of selected methods.

To this end the "Group Liquidity Policy" explicitly refers to the first and second level monitoring, both from a regulatory and management standpoint:

- Short-term liquidity risk management (operational liquidity), which considers the events that may impact upon the Group's liquidity position from one day up to one year. The primary objective is to maintain the Group's capacity to fulfil its ordinary and extraordinary payment obligations while minimising the relevant costs;
- Structural liquidity risk management (structural risk), which considers the events that may impact upon the Group's liquidity position over one year. The primary objective is to maintain an adequate ratio between medium/long term liabilities and medium to long-term assets, with a view to avoiding pressures on short-term funding sources (both current and future);

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- Stress tests: Liquidity risk is a low probability, high impact event. Therefore stress testing is a tool able to reveal potential vulnerabilities. The Group uses several scenarios ranging from general market crisis to idiosyncratic crisis, and combinations thereof.

In this context, the Group takes into account all of the assets, liabilities, off-balance sheet positions and present and future events that generate certain or potential cash flows, thereby protecting the Group from risks related to the transformation of maturity.

Short term liquidity management

Short-term liquidity management aims at ensuring that the Group remains in a position to fulfil its cash payment obligations always, whether expected or unexpected, focusing on the exposure for the first twelve months.

On a daily basis, the Group calculates the Operative Maturity Ladder, which measures the cash inflows and outflows affecting the monetary base, with details of the main temporal buckets.

The Group's objective is to provide sufficient short-term liquidity to deal with a particularly adverse liquidity crises for at least three months.

Structural liquidity management

The objective of the Group's structural liquidity management is to maintain an adequate ratio between medium/long term assets and liabilities (generally over one year), with a view to avoiding pressures on short-term funding sources, both current and future. To this end, the Group adopts a prudent approach to its investments of liquidity, taking into account funding maturities. The indicator used and monitored as part of the wider Risk Appetite Framework (NSFR) ensures that assets and liabilities have a sustainable maturity structure. The regulatory indicator is also complemented by a managerial indicator called "Structural Ratio", which shares its objectives and most of its logic. Such indicator was developed by the CRO Department of the Parent Company with the purpose of managing the risk of maturity transformation, considering the specificities of Fineco's funding represented in the Bank's sight items model.

Liquidity Stress Test

Liquidity Stress Tests evaluate the impact of macro or micro-economic scenarios on the Group's liquidity position, with the aim of testing the Bank's ability to continue its business in situations of liquidity distress.

Stress tests are carried out by simulating scenarios of idiosyncratic stress (decline in customer confidence) and situations of general market shock; a combination of the two shall also be considered in the stress test program. Within the stress test simulations, sensitivity analyzes are also provided to evaluate the impact produced by the movement of a particular single risk factor.

Additional scenarios are also defined (so-called reverse stress testing) aimed at identifying the risk factors and the circumstances that would lead to the Group's point of non-viability.

Behavioural modelling of Liabilities

FinecoBank has developed specific behavioral models aimed at estimating the maturity profile of liability items that do not have a contractual maturity; in fact, some items, perceived as collectible on demand, are actually subject to viscous behaviors.

More specifically, the modeling of liabilities aims to build a replication profile that best reflects the behavioral characteristics of the items. An example is represented by the on-demand items: the estimates of the maturity profile reflect the perceived viscosity. The model, developed by the Parent Company CRO Department and validated by the Internal Validation function, is regularly subjected to back-testing and updating activities in the event that changes in the business or market context reduce its representativeness.

Group's Contingency Liquidity Management

The objective of the Group "Contingency Plan on liquidity risk", defined in the Group Liquidity Policy, is to ensure timely implementation of effective interventions also during the initial stage of a liquidity crisis, through a clear identification of individuals, powers, responsibilities, communication, and reporting criteria, with the aim of significantly increasing the probability of successfully overcoming the state of emergency. This is achieved through:

- activation of extraordinary liquidity governance and operating model;
- consistent communication both internal and external;
- a set of available mitigating liquidity actions;

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- a set of early warning indicators, also included within the Group Recovery Plan, showing any possible evidence of a developing liquidity crisis.

Internal Liquidity Adequacy Assessment Process (ILAAP)

In accordance with prudential provisions, the Group annually assesses the adequacy of the liquidity governance and management framework (ILAAP process) and gives appropriate disclosure to the Competent National Authority according to the terms established by the relevant legislation.

The stress tests, conducted within the ILAAP, carried out on the basis of scenarios that consider idiosyncratic, systemic risk factors and a combination thereof, did not show any criticality or relevant impacts for the Group.

Group Liquidity Position

The self-assessment process, which considers both qualitative and quantitative elements, confirms a solid and robust liquidity profile from both a short-term and structural perspective.

The Group's liquidity position, supported by a very stable level of retail funding and a substantial proprietary portfolio consisting almost entirely of high-quality liquid assets (HQLA), remained within the risk limits established by both internal and external regulations throughout the first half of 2025.

The Group has a highly liquid and high-quality bond portfolio, which ensures solid management of liquidity risk from a strategic and ongoing perspective, thanks to the broad availability of assets that can be used as financial collateral, i.e. primarily Sovereigns bonds issued by eurozone countries, along with supranational bonds.

Both regulatory indicators, LCR and NSFR, are well above regulatory requirements. As of June 30, 2025, the Liquidity Coverage Ratio (LCR) averaged 912%¹³. The NSFR also remained well above 100%, at 403%.

¹³ Calculated as the average of the liquidity coverage ratio based on month-end observations over the last 12 months for each quarter of the relevant reporting period, consistent with Pillar III Disclosures.

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1.5 - Operational risk

Qualitative information

A. General aspects, operational processes and methods for measuring operational risk

Operational risk definition

Operational risk is defined as the risk of losses due to errors, violations, interruptions, or damage caused by internal processes, personnel, financial advisors, systems or by external events. This definition includes legal and compliance risks, but excludes strategic and reputational risk.

For example, losses arising from the following can be defined as operational: internal or external fraud, employment practices and workplace safety, customer claims, product distribution, fines and penalties for regulatory breaches, damage to the Company's physical assets, business disruption and system failures, and management of processes.

Operational risk framework

The Group has a Global Policy for the monitoring and control of operational and reputational risks, approved by the Board of Directors of the Parent Company FinecoBank which defines the roles of corporate bodies and of the risk management function as well as any interactions with other functions involved in the process. Besides setting roles and responsibilities, the policy describes the risk measuring and monitoring process and the activities carried out for mitigation and prevention purposes.

In accordance with Regulation 2554/2022 (Digital Operational Resilience Act – DORA), applicable from 17 January 2025, the Group has also adopted a separated IT risk management framework, the objective of which is to ensure that the Group companies are able to resist and react to the various types of disruptions and threats related to information and communication technologies (ICT), as well as to recover from them, ensuring a high level of digital operational resilience. The Group's objective is also to protect customers and the business by guaranteeing data security, expressed in its characteristics of availability, confidentiality and integrity.

Particular attention is in fact paid to Cyber Security & Fraud Management issues right from the system design phase, as enabling elements for the correct definition of solutions and services offered, also seizing the opportunities offered by the evolving regulatory context, in order to create full security for the customer while maintaining ease of use.

Organisational structure

The Board of Directors is responsible for approving all aspects relating to the operational risks framework and ICT and Security risks, verifying the adequacy of the measurement and control system and shall be regularly updated on changes to the risk profile and operational risk exposure.

The reports produced by the CRO Department for the Board of Directors ensure that management and control bodies are constantly updated on operational risks and ICT and Security risks trend within the Group and they are able to actively intervene in risk management and mitigation. The Chief Risk Officer participation in the Products Committee and the Project Committee and the subsequent involvement of the specialized structures of the CRO Department (e.g. Operational, reputational, ICT & Cyber Risk), ensures oversight of the risks associated with the Group's new business and project activities.

The Operational Reputational, ICT & Cyber Risk function is part of the CRO Department, which reports to the Chief Risk Officer of FinecoBank who in turn reports directly to the Chief Executive Officer and General Manager.

The main activities carried out by the Team in terms of operational risk are:

- definition of the system mitigating and controlling operational and reputational risks, in compliance with external regulations and, in accordance with the guidelines provided by the Board of Directors, and the Group's operational evolution;
- support the Board of Directors in defining the operational risk appetite, and appropriately break it down into specific measures, metrics and indicators aimed at measuring the risk;
- regularly prepare reports on exposure to operational and reputational risks aimed at informing and supporting management in management activities;
- prepare a Risk Indicators framework aimed at preventing operational and reputational risks, also originating from environmental, social and governance factors (ESG);
- verify that operating loss data identified by the various areas of the Group are regularly and promptly recorded;
- carry out, in collaboration with the other corporate functions, scenario analyses aimed at identifying and preventing potentially high impact losses, albeit unlikely;
- propose operational risk mitigation strategies to the Chief Risk Officer;
- carry out training and support on the control of operational risks to the Group's structures;
- guarantee a reputational risk oversight within the perimeter defined by the Group;

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- carry out systematic remote controls, through Risk Indicators, on the entire sale Network, in order to mitigate the internal fraud arising from PFA operations;
- carry out ex-post controls on the verifications carried out by the Network Controls, Monitoring and Network Services Department in relation to internal frauds implemented by Personal Financial Advisors to the detriment of customers, in order to identify areas for improvement;
- implement and update the anomaly indicator management system framework, also according to new company activities and regulations;
- evaluate the effectiveness of PFA disloyalty insurance coverage, considering renewals, franchise and excess;
- evaluate operational and/or reputational risks resulting from the most significant transactions (e.g. significant outsourcing), ensuring their consistency with the RAF.

With specific reference to ICT and security risks, the Group has adopted a Global Policy “Digital operational resilience framework”, the main objective of which is to define high-level principles for managing IT risks and to act as a link between the various internal regulations that constitute the framework for managing IT risks. The document also defines the roles and responsibilities of Corporate Bodies and Functions with regard to the management and monitoring of ICT and security risks.

In line with Bank of Italy Circular 285/2013 and Regulation 2554/2022 (DORA), the Global Policy assigns responsibility for managing IT risks to the CRO Department, as the risk control function, and to the Compliance Department, each for their own areas of expertise.

Specifically, the CRO Department, with the support of the Operational, Reputational, ICT & Cyber Risk structure, is responsible for:

- defining the ICT and Security risk mitigation and control system in compliance with the provisions of external regulations and, in accordance with the indications of the Board of Directors, with the operational evolution of the Group;
- supporting the Board of Directors in defining the appetite for ICT and security risk, and appropriately declining it within specific measures, metrics and indicators aimed at measuring the risk;
- monitoring ICT and security risks through appropriate second-level controls;
- implementing and updating the management system of Anomaly Indicators, also in relation to new corporate and regulatory activities;
- regularly preparing reports on exposure to ICT and Security risks aimed at informing and supporting management in the management activity;
- defining the ICT and security risk assessment methodology and ensuring its effective implementation within the Group, coordinating and supporting the individual functions involved in the assessment process;
- preparing, in collaboration with the Compliance Department, the training material on ICT and Security risks, addressed to the various structures of the Group.

The Compliance Department, with the support of the DPO, outsourcing, ICT & Security Compliance structure, ensures the compliance of ICT systems and projects, as well as all activities carried out within the information system, with the provisions of law, regulations or bylaws and with the internal regulations and codes applicable to the bank, and develops, in collaboration with the CPO and CIO Department, the training plan on ICT and security risks and information security awareness.

The CRO Department and the Compliance Department are also informed of any activity or event that significantly affects the risk profile of the bank (e.g. significant operational or security incidents) and are actively involved in projects for substantial modification of the information system.

Operational risk management and mitigation

As anticipated, in the context of the management and mitigation of ICT and security risks, the Group has a specific risk management framework, which defines the high-level principles for the management of IT risks. An integral part of this framework is the third-party management framework, composed of the Global Policy “Third-party management framework” and the Global Policy “Management and control framework for risks arising from third-party suppliers”. Specifically, the third-party management framework defines the principles for the assessment of the risk profile of suppliers and the risks arising from contractual agreements concluded with them, as well as monitoring and escalation processes, aimed at assessing the possibility of adopting corrective or mitigation actions, and in the most serious cases proceeding with the termination of the contractual agreement.

As part of operational risk prevention and controls on the sales network, the CRO Department function has focused its activities on fraud prevention.

The development of remote monitoring aimed at preventing frauds has led to the creation of a system called System of Fraud Identification and Analysis (SoFIA). Such system can process a larger amount of data and information than individual indicators. The system works through an alert mechanism detecting any irregularity on a daily basis. In this way, all of the names highlighted to be checked are assessed at the same time with regard to all remote indicators.

On the basis of qualitative and quantitative assessments of these indicators, the assigned staff select any cases that need to be reported to the Network Controls, Monitoring and Network Services Department – reporting directly to the Chief Executive Officer – for subsequent examination.

Moreover, the Operational, Reputational, ICT & Cyber Risk team is updated annually on the results of the tests conducted in accordance with the Business Continuity and Disaster Recovery plans.

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In addition to the direct monitoring of the sale network, carried out with SoFiA, ex-post controls were also implemented on the verifications carried out by the Network Controls, Monitoring and Network Services Department in relation to internal frauds carried out by financial consultants to the detriment of customers, aimed at identifying any areas for improvement.

In addition to the aforementioned controls, reputational risks are monitored through the risk assessment carried out by the risk management function throughout the definition, development and approval phase of the Group's products. The participation of the Chief Risk Officer is indeed explicitly envisaged by "New product process" Global Policy.

Tax risk management government

Relationships with the tax authorities are based on the highest standards of collaboration and transparency. Specifically, since 2016, Fineco has been eligible for the optional Collaborative Compliance or Cooperative Compliance regime pursuant to Legislative Decree no. 128/2015, which aims to establish a relationship of trust between the tax administration and taxpayers. The purpose of the regime is to increase certainty regarding relevant tax matters and, therefore, avoid potential disputes with the tax authorities. This objective is pursued through constant and preventive dialogue with the tax authorities, including anticipating audits, aimed at a joint assessment of situations likely to generate tax risks and the sharing of the internal tax risk control system.

Fineco advocates for the interests of its stakeholders, actively participating, through its Tax Department, in meetings and discussions promoted by the representative and trade associations of which it is a member (e.g., the ABI Tax Technical Committee, Assogestioni, Assonime, AMF Italia). Fineco promotes, in these forums, actions to improve the regulatory and interpretative framework based on observations made by its customers, its network of Financial Advisors, and investors. The tax approach adopted by the Fineco Group is contained in the Tax Strategy, which references the Code of Conduct, approved by the Board of Directors at Parent Company level and referred to as the "FinecoBank Group Tax Strategy." The strategy is reviewed at least annually by the Tax Department, and any changes are submitted to the Board of Directors for approval (Tone at the top principle). The Strategy is published on Fineco's institutional website¹⁴ and must be adopted by all Group companies, subject to approval by their Board of Directors or other competent body.

The Group's primary objective, in relation to its tax strategy, is to ensure proper tax management, recognizing that taxes are an important part of the broader economic and social role it plays in the countries in which it operates. In this regard, Fineco is committed to paying all taxes due and promptly fulfilling all requirements under both national and international tax regulations, while also ensuring the efficiency of the Group's taxation globally, avoiding double taxation and reducing its tax burden only where legally permitted, in compliance with provisions aimed at ensuring appropriate transfer pricing for intragroup transactions. More specifically, the values that guide the Bank in ensuring consistent tax management across all Group companies are:

- formal and substantive compliance with all applicable laws, regulations, and practices in any jurisdiction in which it operates. More specifically, the Group—not only with regard to its obligations as a "taxpayer" but also with regard to its obligations as an "intermediary"—is committed to complying with all applicable and relevant laws and regulations in the various jurisdictions in which it operates, taking into account not only the letter of the relevant provisions but also their underlying rationale and interpreting them systematically;
- the application of a tax strategy that is consistently consistent with the Group's general rules, its approach to risk, and the values it embodies;
- the use of professional due diligence in managing all tax-related risks, ensuring that the procedures applied from time to time are appropriate. At the operational level, tax risk is managed through a dense and complex set of controls and procedures that ensure extensive verification of the accuracy of data entered in relevant tax returns, tax payments, and communications to tax authorities. The effectiveness and updating of these procedures and controls is periodically verified in order to promptly implement the necessary mitigation and modification actions;
- establishing relationships of mutual trust, collaboration, and transparency with the tax authorities of the countries in which the Group operates, including through participation in cooperative compliance projects, where applicable. Furthermore, the Group generally complies with all practice guidelines issued by the competent tax authorities of the countries in which it operates, respecting their dictates;
- fostering a culture of compliance and knowledge of tax regulations within the Group, including among individuals who do not work within the Group's tax functions.

To ensure the achievement of the above objectives, the Group has implemented an effective tax risk control system (Tax Control Framework, or TCF), integrated into the corporate governance system, which ensures constant monitoring of tax risks. Specifically, Fineco's TCF provides for: (i) a clear assignment of roles and responsibilities to corporate bodies and functions with appropriate skills and experience; (ii) adequate processes for identifying, measuring, managing, and controlling tax risk, ensuring compliance with procedures at all corporate levels; (iii) specific procedures for addressing any identified deficiencies and implementing the necessary corrective actions. The control framework contained in the Framework, endorsed upon admission to the Collaborative Compliance Regime, is reviewed and shared with the Italian Revenue Agency annually.

Generally, the Group is committed to ensuring ongoing and transparent collaboration with tax authorities, in compliance with the reporting obligations set forth in international regulations on the exchange of information between countries (e.g., FATCA, CRS).

¹⁴ The document is published at the following link https://images.finecobank.com/it/pub/pdf/corporate/FinecoBank_strategia_fiscale.pdf

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In this context, compliance with the provisions regarding reporting to tax authorities of cross-border arrangements that identify a potential undue tax advantage is ensured, in accordance with DAC 6. More specifically, a series of safeguards have been established not only for the relevant internal structures but also for Financial Advisors. Each Group company ensures the presence, within its organization, of a specific tax function or an internal manager.

The Parent Company's tax function is responsible for defining domestic, international, and supranational tax scenarios and implementing appropriate and effective procedures for the proper fulfillment of tax obligations and the correct and efficient taxation of the Group. In this regard, the Tax Function includes the Tax Compliance unit, a specialized unit within the Compliance function. Its purpose is to monitor and manage the risk of non-compliance with tax regulations in the Bank's activities through second-level controls, conducted based on a tax risk map shared periodically with the Revenue Agency, as part of the collaborative compliance regime.

Raising awareness of tax risk among Bank employees and top management is strongly supported by training courses aimed at increasing regulatory awareness, fostering the development of a corporate culture focused on tax compliance.

Furthermore, the Group does not provide compensation plans for its Directors and Employees that are related to tax savings and expressly prohibits them from purchasing or offering investments, products, and other transactions that are based solely on a tax benefit for the Group, its customers, or other counterparties.

The core principles of the Tax Strategy are incorporated into the Code of Conduct, compliance with which is an integral part of the contractual obligations of those who work for the Group. Violations of these principles are subject to various types of disciplinary sanctions (ranging from verbal reprimand to dismissal for just cause), applicable in proportion to the seriousness of the violation. The most significant tax issues are periodically reported to the Board of Directors and its committees, such as the Network Committee, the Projects Committee, the Products Committee, the Private Banking Committee, and the Internal Control Business Committee (ICBC).

Regarding reporting of tax offenses, various corporate functions are required to notify the Tax Department of suspected tax fraud. Following the inclusion of tax offenses among the predicate offenses pursuant to Legislative Decree no. 231/2001, Model 231 requires the Tax Department to be informed whenever the Supervisory Board receives a report from corporate structures, i.e., a communication regarding anomalies or behaviors that may constitute the commission of a tax offense. This is done to allow the Tax Department to analyze the situation from a tax perspective, mitigate the risk, and, if necessary, disclose the matter to the Revenue Agency.

In addition, reports may also arise from the internal system implemented by Employees regarding any irregularities or violations of applicable regulations and internal procedures (so-called whistleblowing), in line with existing national and international best practices.

To mitigate the tax risks typically associated with Fineco's transactions, the Group adopts a specific escalation procedure aimed at regulating the analysis and assessment of tax risk—with varying levels of involvement of top management—and the subsequent phases of dialogue with the Revenue Agency. The procedure, validated by the Revenue Agency as part of the aforementioned collaborative compliance regime pursuant to Legislative Decree no. 128/2015, governs the roles, responsibilities, and methods of: (i) identifying the existence of any potential interpretation risk; (ii) qualitative and quantitative assessment of interpretation risk; (iii) initiating the internal authorization escalation procedure; and (iv) any dialogue with the Revenue Agency.

Furthermore, a year-end compliance report is prepared and signed with the Revenue Agency, certifying the results of the Tax Control Framework audits and discussions regarding significant tax risks (this report is also reported by the Head of the Tax function to the Board of Directors in the periodic report on the status of the Internal Control System for Tax Risk pursuant to Article 4, paragraph 2 of Legislative Decree No. 128/2015).

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Risk measurement system

The regulatory requirement for operational risk, introduced by CRR III starting from 1 January 2025, envisage a single calculation method. The requirement is determined in accordance with an indicator that is based on the size of an institution's activity (Business Indicator Component), defined on the basis of accounting metrics, using mainly FinRep items (average of the last three years), weighted with regulatory coefficients for bands.

For the purpose of calculating Pillar II Internal Capital, however, the Group uses an internally developed model that leverages the historical series of internal loss data, recorded and classified in accordance with the criteria set by the CRR for the Advanced Measurement Approach (AMA). In particular, art. 324 of the CRR provides for the classification of loss data in the 7 Event Types (ET) described below:

- Internal fraud: losses due to unauthorised activities, fraud, embezzlement or infringement of laws, regulations or company directives that involve at least one internal staff member of the Group or a resource hired under an agency contract (PFA);
- External fraud: losses owing to fraud, embezzlement or violation of laws by subjects external to the Group;
- Employment practices and workplace safety: losses due to actions not compliant with the law or to agreements regarding employment, health and safety, to the payment of compensation for bodily harm, or to cases of discrimination or non-application of equality conditions;
- Customers, products and professional practices: losses arising from non-fulfilment of professional obligations towards customers or from the nature or characteristics of the products or services provided;
- Damage from external events: losses arising from external events, including natural disasters, acts of terrorism and vandalism;
- Business disruption and system failures: losses owing to business disruption and system failures or interruptions;
- Process management, execution and delivery: losses due to deficiencies in the completion of transactions or management of processes, as well as losses due to relations with commercial counterparties, vendors and suppliers.

Risk measurement activities, however, do not end with the estimation of internal capital.

With regard to operational and reputational risks, the analysis of operational losses also allows the CRO Department to formulate assessments on the Group's exposure to operational risks and to identify any critical areas. CRO Department also carries out a variety of second level controls, mainly carried out through analysis and monitoring key risk indicators, divided into control areas (Credit Cards, Compliance, HR, Legal, Operations securities, Payment Systems, Claims, Risk Management, Reputation, Transparency, AML/CFT, IT systems, Security, Administration and Audit), with which the Group mean to measure its exposure to operational risk. Should indicators show irregular values, this might be related to changes in the exposure to operational risk. Within the overall set of KRI, several ESG relevant indicators have been identified. Any irregular value of such risk indicators may signal risks related to customer relationship (e.g. client claims, unavailability or security issues in the ICT system), with employees (e.g. high turnover) or with regulators, which may affect business sustainability.

With regard to ICT and security risks, the Group carries out an annual ICT and Security Risk assessment activity, which requires collaboration and coordination between different structures and actors belonging to different corporate functions, both first and second level. For further details, please refer to the dedicated paragraph. The CRO Department also carries out a variety of second level controls, through the preparation of detailed metrics, aimed at monitoring and controlling the level of ICT and security risk in order to keep it within the limits of the risk appetite defined by the body with strategic supervision function. In this respect, the ICT & Cyber Risk Index (ICRI) is particularly important, an indicator also included in the Risk Appetite Dashboard that summarises the Group's exposure to ICT and Security risk by combining the results of the annual ICT and Security risk assessment with some specific metrics (KRI) considered particularly relevant (incidents), as well as with the results deriving from the Vulnerability Assessments and Penetration Tests.

Lastly, scenario analyses allow the assessment of the Group's exposure to operational risk characterised by low frequency but high potential impact. Scenarios are set by analysing internal losses, external events, risk indicator trends, critical processes, products and risk classes.

Risks arising from significant legal disputes

The Group, only referred to FinecoBank, is involved in individually insignificant legal proceedings over which there is considerable uncertainty regarding the outcome and the amount of possible charges, which the Bank could be forced to pay. Where it is possible to reliably estimate the amount of possible charges and the charges are considered likely, provisions have been made in an appropriate amount based on the circumstances and consistent with applicable international accounting standards, by making the best possible estimate of the amount that the Group will reasonably be expected to incur in discharging its obligations.

Specifically, as at 30th June, 2025, there are disputes for which the risk of disbursement of economic resources deriving from a potential negative outcome has been assessed as probable. Without prejudice to the uncertainty that characterises all litigation, the estimate of the liabilities that may arise from litigation - and therefore the amount of any provisions set aside - derives from forecast assessments of the outcome of the litigation. Such forward-looking assessments are in any case made on the basis of all information available at the time of the estimate and updated during the course of the litigation. As a precaution against these disputes, as at June 30th, 2025, FinecoBank had a provision in place for risks and charges of € 22,617 thousand. This provision includes the legal costs borne by the Group in the event of an adverse conclusion of the dispute plus the estimated expenses to be paid to legal advisors and/or any experts who assist the Group in ongoing disputes to the extent that it is believed that they will not be reimbursed by the counterparties. This estimate was determined by the Group, in relation to the current dispute, mainly based on the analysis of Forensic official tariffs provided for by current legislation. The aforementioned provision does not include disputes, where applicable, for which the risk has been

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assessed as remote. There is also a provision for risks and charges of € 2,714 thousand for customer complaints that have not yet resulted in legal proceedings, for which the risk of financial disbursement has been assessed as probable.

Risks arising from tax disputes and audits

As of June 30th, 2025, a number of low-value disputes remain outstanding, with reference to which provisions have been set aside to the extent deemed appropriate, given the specific circumstances and consistently with international accounting standards, in the provision for taxes and duties, for higher taxes, totalling € 0.2 million, and in the provision for risks and charges, for penalties and interest, totalling € 0.4 million.

The assessment of ICT and Cyber risks

The purpose of the annual ICT and Security risk assessment is to evaluate the potential ICT and security risks on business processes considering the threats and related countermeasures identified by the Bank. The results of this assessment allow decisions to be made regarding the acceptance of exposure to IT risks and/or to evaluate the implementation of appropriate mitigation actions. Each identified risk is assessed in terms of frequency and economic impact generated by the ICT event. In particular, both the residual risk is assessed, through the assessment of the expected economic impacts¹⁵, and the potential risk, through the estimate of the extreme economic impacts.

The results of the annual ICT and Security risk assessment are summarized in the "Summary report on the IT risk situation", approved by the CEO and General Manager and illustrated annually to the CRPC and the Board of Directors of the Parent Company. According to the most recent Summary Report on the IT risk situation, approved in December 2024, for all the macro-areas analyzed, the Responsible Users have chosen, given the limited exposure, to accept the residual risk without the need to identify further mitigation measures. Overall, based on the scoring methodology currently in use, Fineco's risk profile is low.

It should be noted that on 24 February 2022, with the start of the military conflict between Russia and Ukraine, the CSIRT (the National Cybersecurity Agency's response team) called for heightened attention and the adoption of all measures to protect ICT assets, an alert addressed to Italian companies that have relations with Ukrainian operators. On 28 February 2022, the Agency produced a new alert, this time addressed to all national digital infrastructure operators, urging them to adopt "a posture of maximum cyber defence": the offensive could in fact be directed against the coalition that has mobilised to support the attacked country. As far as Italy is concerned, the targets are generally ministries, government agencies, and companies that are strategic for the national interest, including financial institutions. The Group's objective is to ensure the protection of customers by guaranteeing data security, declined in its characteristics of availability, confidentiality and integrity: in the light of the Russian-Ukrainian crisis on the EU financial markets, particular attention has been paid to the assessment of related risks. In compliance with the measures provided for by current legislation, Fineco has undertaken a series of initiatives aimed at verifying its security posture and operational readiness, also making use of the indications and recommendations suggested by the various national and international bodies. Without prejudice to the adoption, as always, of best practices in the field of security, in terms of both technical and organizational/procedural measures, further mechanisms have been assessed and introduced to deal with any impacts deriving from the contingent situation ensuring, at the same time, the constant and continuous monitoring of the evolution of the context.

Analysis of operational and security risks related to payment services

In accordance with the 28th update of Bank of Italy Circular 285, the Group carries out an assessment of operational and security risks related to payment services provided by the Group. The adequacy of mitigation measures and control mechanisms in place are also in scope. The resulting report for the year 2024 did not show any criticalities or weaknesses, and it was sent to the Bank of Italy within April 30, 2025, according to the rule thereof.

Quantitative information

Operational loss analyses enable the Operational & Reputational Risk team to make assessments on the Group's exposure to operational risk and to identify any critical areas.

In the first half of 2025, approximately 25% of the Group's operating losses relate to conduct risk, which includes the two event types "Internal fraud" and "Customers, products and business practices". In particular, the "internal fraud" event type mainly manifests itself through fraud perpetrated to the detriment of customers by financial advisors who are part of the sales network. In recent years, this risk has been significantly reduced thanks to the mitigation actions undertaken, including the implementation of many remote controls carried out on the sales network by several Bank structures (Network Control Department, Internal Audit, Compliance and CRO Department). It should also be noted that the Bank has in place an insurance

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policy on the infidelity of financial advisors. The "Customers, products and professional practices" event type, on the other hand, mainly manifests itself through the misselling of financial products to customers.

The remaining losses relate to the other event types described above.

There were no material impacts from the Russia-Ukraine military conflict on the Group's operational risk profiles. The available KRIs do not provide any indication of changes in the risk profile nor do they show any operational losses strictly driven by the Russia-Ukraine military conflict.

FinecoBank has not changed its strategies, objectives or policies for managing, measuring and controlling operational risks as a result of the Russia-Ukraine military conflict.

1.6 - Other risks

Although the risk types described above represent the main categories, there are others the Group considers nevertheless important. According to Pillar 2 regulatory requirements, the Group annually carries out a risk assessment identification process aimed at identifying all relevant risks different from Pillar One risks (credit, market and operational), to which the Group is, or may be exposed to. Along with traditional financial risks, potential significant non-financial risks are also identified, including for example reputational risks and those deriving from environmental, social and governance (ESG) factors.

After the identification of all relevant risks, the best method for analyzing them shall be identified, whether quantitative or qualitative. The quantitative measurement may be carried out through several tools, such as scenario analysis (this is the choice in particular for hard quantifiable risk such as the reputational risk and the compliance risk), VaR or the Internal Capital calculation. The latter stands for the capital needed to cope with potential losses arising from the Group's activities and takes into consideration all risks defined by the Group itself quantifiable in terms of capital, consistently with Pillar two requirements.

The main risks considered in the overall Group Internal Capital as of June 2025 are default risk, concentration risk, migration risk, market risk, interest rate risk, credit spread risk, operational risk, business risk, and real estate risk. The overall Internal Capital is periodically exposed to stress test exercises. Such tool allows to assess the Group's vulnerabilities to exceptional but plausible events, providing additional information with respect to monitoring activities.

Environmental, social and governance risks (ESG)

The acronym ESG stands for Environmental, Social, Governance and indicates the environmental, social and governance factors that can significantly influence a company's performance in the long term. In other words, they are all those factors that, if not managed correctly, can generate risks for a company, an industry or an entire economic system. Specifically, ESG risks can generate consequences in terms of:

- impacts on investments: investors, increasingly aware of the social and environmental impact of their choices, take ESG factors into account to evaluate the sustainability and long-term profitability of an investment;
- impacts on corporate reputation: effective management of ESG risks is essential to preserve a company's reputation, avoiding involvement in environmental or social scandals;
- regulatory compliance: sustainability regulations are constantly evolving and companies must adapt to comply and avoid sanctions and economic losses;
- corporate resilience: a company that manages ESG risks well is more resilient in the face of external shocks, such as climate change or social crises.

The Climate and Environmental risks, the Social risks and the Governance risks to which the FinecoBank Group is exposed are analysed individually in detail in the following paragraphs.

Climate and environmental risks

Climate change and environmental degradation give rise to structural changes capable to affect economic activity and, consequently, the financial system. In particular, the transition to a low-carbon and more circular economy brings both risks and opportunities for the entire economic system and for financial institutions, while the physical damage caused by climate change and environmental degradation might have a significant impact on the real economy and the financial sector.

Climate change commonly gives rise to two risk factors:

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- physical risk, which refers to the financial impact of climate change, including more frequent extreme weather events and gradual changes in climate, as well as environmental degradation, such as air, water and soil pollution, water stress, biodiversity loss and deforestation. Physical risk is therefore classified as “acute” if caused by extreme events such as droughts, floods and storms, and “chronic” if caused by progressive changes such as rising temperatures, rising sea levels, water stress, biodiversity loss, land use change, habitat destruction and resource scarcity. This risk could directly lead to material damage, a decline in productivity, or indirectly to subsequent events such as the disruption of production chains;
- transition risk, which refers to the financial loss that an institution may incur, directly or indirectly, as a result of the adjustment process towards a low-carbon and more environmentally sustainable economy. This could be caused, for example, by the relatively sudden adoption of climate and environmental policies, technological progress or changes in market confidence and preferences.

Physical and transition risks represent risk factors that impact traditional risk categories already identified and managed by financial institutions, such as pillar one risks i.e. credit, operational, market and liquidity risks, but also pillar two risks, such as reputational risk. These risks can also affect the resilience of the institution's business model in the medium and long term, especially whenever the business area is based on sectors and markets that are particularly vulnerable to climate and environmental risks.

In November 2020, the European Central Bank published a “Guide on climate-related and environmental risks” that incorporates the supervisory authority's expectations on risk management and disclosure of climate-related and environmental risks. According to the latter, institutions are required to assess the impact of climate-related and environmental risks on their business model and operational environment in the short, medium and long term, and to integrate them into their risk management system, so that they are managed, monitored and mitigated along with other risk categories.

Since the first consultation of the ECB on its guide on climate and environmental risks¹⁶, the Fineco Group has started a process of progressive integration of climate and environmental risks within its risk management framework, based on the most recent guidelines published by the supervisory authorities and European and international standard setters¹⁷. The first changes made concerned the *Risk Appetite Framework (RAF)*, which represents the tool for monitoring the risk profile that the Group is willing to assume in implementing its corporate strategies and in achieving sustainable profitability at the same time as solid business growth.

The RAF formalizes, through a set of limits and risk metrics, the risk objectives, any tolerance thresholds and operational limits that the Group commits to comply with in the pursuit of its strategic lines, and is made by the *Risk Appetite Statement*, which qualitatively defines the positioning of FinecoBank in terms of strategic objectives and related risk profiles, and the *Risk Dashboard*, which is made by a set of quantitative indicators.

The RAF 2025 *statement*, in continuity with the RAF 2024, includes a series of commitments and objectives also in the field of climate and environmental risks. In this context, the Group's goal is to:

- keep a marginal exposure to physical climate and environmental risks, both acute and chronic, by limiting direct investments in the Real Estate segment to properties intended for the unrolling of office and consultancy activities, and ensuring that the real estate collateral portfolio deriving from mortgages loans does not concentrate towards single climate and environmental risk factors;
- limit the exposure to transition climate and environmental risks by avoiding financing high-risk sectors and ensuring flexibility with respect to regulatory changes and market trends;
- achieve net zero emissions, both operational and financed, by 2050;
- by 2030, have 95% of strategic investments in countries and institutions with a “Net Zero” objective¹⁸;

The *Risk Dashboard* 2025, in continuity with the RAF 2024, incorporates several indicators to monitor ESG risks. One indicator is designed to ensure, through quantitative thresholds, that a share of investments is made in ESG bonds, instruments intended to support projects or activities aimed at promoting social and environmental sustainability.

In continuity with the RAF 2024, a specific indicator is aimed at measuring the percentage of ESG Funds offered by Fineco AM on the total fund offering, and to guarantee a minimum share.

Another relevant indicator concerns more closely climate and environmental risks (physical risk) and allows the monitoring of the concentration of the real estate guarantees covering mortgages loans towards climate and environmental risks. With the aim of directing the credit origination towards stable or lower physical risk profiles, the indicator measures the concentration on new originated loans instead of on the entire stock.

Another new feature introduced in RAF 2025 is the indicator relating to the energy class of real estate collateral covering mortgages loans. Also in this case, the aim is to stream credit origination towards stable or lower physical risk profiles.

As previously mentioned, RAF metrics are regularly monitored and reported, at least quarterly. A threshold breach of the indicators included in the Risk Dashboard triggers the activation of an escalation process towards the top management and ultimately the competent Corporate Bodies.

¹⁶ The first consultation version of the “Guide on climate and environmental risks” dates back to May 2020.

¹⁷ Examples include the “EBA report on ESG Risk Management and Supervision”, the report “role of environmental and social risks in the prudential framework” and the documents released by the BCBS “Climate-related risk drivers and their transmission channels” and “Climate-related financial risks – measurement methodologies”.

¹⁸ The Net Zero goal must be formalized in a national/international policy document. Countries and institutions are understood to mean Sovereign, Supranational and Agency counterparts.

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In addition to the objectives set out in the Risk Appetite Statement and the indicators integrated into the Risk Appetite Dashboard, the Group's "Sustainability Policy" describes the process of identifying, managing and integrating ESG risks into the Group's risk management framework.

This process, which is fully integrated within the Risk Inventory process, includes i) the analysis of best practices and regulations, ii) the identification and mapping of ESG risks, iii) their integration into the RAF and the Internal Control System iv) stress tests execution v) reporting activities.

In order to identify the risk factors to which the Group is exposed and carry out the relevant assessments in terms of management, monitoring and mitigation, the Group carries out, on an annual basis or more frequently in the event of significant changes, the process of identifying all the risks to which it is, or could be exposed, with regard to its operations and reference markets. This process, which represents a preparatory activity both for the definition of the Risk Appetite Framework and for the internal capital and liquidity assessment processes (ICAAP & ILAAP), mainly consists of the following phases:

- identification of potential risks;
- selection of risks applicable to the Group's business context;
- identification of relevant risks and formalisation of the "Group Risk Map";
- sharing and approval of the Group Risk Map;
- follow-up of the risk materiality assessment to consider any relevant events subsequent to the ordinary annual review.

On this occasion, a focus on ESG risks is prepared, reflecting the requirements of the Corporate Sustainability Disclosure Directive (CSRD).

In the specific case of physical and transition Climate and Environmental risks (as well as Social and Governance risks), as this is a horizontal risk category, the impacts on the balance sheet, operations or reputational context of the Group are recorded through financial risks (for example credit risks), operational risks and reputational risks. For this reason, the identification and analysis of these risk categories occurs in parallel with the traditional categories of financial, operational and reputational risks, in a specific section of the Risk Inventory called "ESG Risk Deep Dive". The separate assessment, in addition to allowing a more in-depth analysis of the ESG risk factors, ensures that the double counting of the related risk factors is avoided, as they are already included in the financial, operational and reputational risks that operate as transmission channels.

Within the "ESG Risk Deep Dive" all ESG risk factors potentially capable of negatively affecting the business model and more generally the operations along the Group's value chain, both upstream (e.g. third-party suppliers) and downstream (e.g. customers), are identified. For each risk factor, the transmission channels towards financial risks (e.g. credit and business risk), operational and reputational risks are identified (if present), as well as the related vulnerabilities and mitigation factors determined by the peculiarities of the Group. The main financial metrics that could be impacted in the event that the risk factor were to occur are identified as well.

In general, the companies of the FinecoBank Group, thanks to the intrinsic feature of their business model, are little exposed to climate and environmental risks. Specifically:

- no Group company has significant investments in the Real Estate segment, which could suffer damage following the occurrence of acute physical risk factors (e.g. floods) or decrease in value due to the intensification of chronic physical risk factors (e.g. sea level rise). The value of properties could also be affected by transition risk factors, for example if more restrictive regulations on pollution or carbon dioxide emissions were introduced (e.g. regulations requiring properties to reach a minimum energy class in order to be sold), by new climate policies by governments, or by new market trends. The only real estate investment is represented by the building in which the parent company FinecoBank has its registered office, located in Milan;
- the parent company, FinecoBank, has always favoured digital channels in its relations with customers, without the use of branches, which could be damaged or made unusable by physical risk events;
- no Group company has significant credit exposures to non-financial counterparties/clients, whose credit risk profile may be affected by an increase in the intensity and frequency of physical or transition risk factors. Counterparties could also be affected by transition risk factors, such as the introduction of more restrictive regulations on pollution or carbon dioxide emissions, new climate policies by governments or new market trends;
- the loans, granted exclusively by the Parent Company, are mainly addressed to retail customers. They are therefore highly diversified exposures, of individually small amounts and not directly influenced by climate and environmental risk factors. Furthermore, a significant portion of the loan portfolio to ordinary customers consists of products backed by financial or real estate collateral;
- the mortgages originated by the parent company FinecoBank do not represent the Bank's core business and constitute a marginal share of consolidated assets (the introduction of new regulations relating to the introduction of a minimum energy class for the purchase and sale of real estate could have significant impacts in terms of business volumes on Banks whose core business is mortgage origination);
- only the parent company FinecoBank is exposed to market risk, which is however limited to the brokerage activity with customers and subject to conservative risk limits. Fineco, in fact, does not assume open directional positions, and the trading book is moved exclusively for the purposes of unrolling the brokerage activity with customers, with an intra-day hedging/closing mandate. The containment of market risks protects the Group from volatility, regardless of the causes that generate it. In the case of physical risks, chronic physical risks, such as soil degradation and scarcity of resources, could send entire economic sectors into crisis, affecting the stability of financial markets. In the case of transition risks, the introduction of new technologies or regulations in the transition to a low-emission economy could cause substantial changes in the market, causing the bankruptcy of companies that are not flexible enough to deal with the changing environment;
- exposures to financial counterparties are mostly made to industry leaders, with a high credit rating, and mainly backed by financial collateral, the value of which is subject to frequent monitoring and exchange of cash margins;

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- The Group's strategic investments are mainly made in sovereign counterparties (governments and international governmental organizations) belonging to Western countries, whose economy does not depend on the export of fossil fuels, and are relatively little exposed to climate change or economically able to cope with it.
- Fineco adopts an open platform, which allows customers to purchase and receive financial advice on several financial instruments and investment products, even those not produced or issued by companies belonging to the Group. This allows customers to purchase financial products from third-party producer without changing intermediary.

Considering the context outlined above, the identification of climate and environmental risks starts from the risk factors identified within the guidelines and technical documentation issued by the Supervisory Authority (European Central Bank) and by category standard setters (European Banking Authority). In this perspective, the Group has adopted a gross approach, identifying the risk factors in a forward looking manner, regardless of the historical evidence recorded at the reference date, and evaluating them in the short, medium and long term.

Once the Climate and Environmental risk factors applicable to the Group have been identified, vulnerabilities of the Group companies are identified and reported at a consolidated level, taking into account the exposures, the operational, geographical and business context thereof.

Physical risk factors, particularly those belonging to acute physical risks, could cause damage both to the assets owned by the Group companies and to the assets acquired as collateral by the Parent Company FinecoBank. They could also lead to a worsening of the creditworthiness of the counterparties to which the Group is exposed.

The owned assets include the building in which the parent company FinecoBank has its registered office and the hardware infrastructures held within the Data Processing Centers used by the Group companies.

The building in which FinecoBank has its registered office, geographically located in Italy in the city of Milan, is not particularly exposed to acute physical risk factors, also due to the absence of mountain ranges and waterways nearby. However, from a forward looking perspective, the property could be damaged by extreme weather events that are intensifying in the area, especially in the summer months, such as downbursts, tornadoes and heat waves. It should be noted, however, that an all-risk insurance is active on the property, and that the value of the real estate asset constitutes an insignificant share of the consolidated assets. Furthermore, in the event of unavailability of the headquarter, the Business Continuity plan envisages an extensive use of remote working.

The Data Processing Centers (DPCs) used by Group companies play a key role in storing data and regularly providing services. The latter, being physical structures, may be exposed to climatic and environmental risk factors, both acute and chronic, which could, following damage to the hardware infrastructure, lead to data loss or interruption of services for an extended period of time. Given the strategic nature of these assets, Group companies use DPCs located at a geographical distance, for which a technical report on seismic and environmental risk is periodically commissioned to external companies specialized in such assessments, and mitigation measures are identified (e.g. emergency generators and pumps in the event of flooding). Finally, it should be noted that the Parent Company has an additional DPC used exclusively for backup purposes.

A specific reverse stress test was developed on the physical risk associated with the CEDs as part of the ICAAP 2024 process, the objective of which was to determine the "non-viability" of the business model. Considering the low exposure of Fineco's business model to climate change, to reach the "non-viability" the climate reverse stress test assumes the occurrence of a series of extreme events, the probability of occurrence of which is currently considered very remote. In particular, in line with the climate forecasts of the CMCC (Euro-Mediterranean Center on Climate Change), the stress test assumed a flood sufficiently violent and extensive to inundate all the Bank's Data Processing Centers (CEDs) for a significant period of time, also assuming the total failure of the existing security measures.

The assets acquired as collateral include the properties used as collateral for mortgage loans issued by the Parent Company, which could be damaged as a result of acute physical risk factors (e.g. landslides or floods), or experience a decrease in price on the real estate market as a result of the worsening of chronic physical risk factors (e.g. in the case of water restrictions in areas affected by water stress) or the occurrence of transition factors (e.g. laws relating to a minimum energy class). The effects of this vulnerability could show up in the short term due to acute physical risk factors (e.g. floods or landslides), and get worse in the long term due to rising temperature, through a greater frequency and intensity of acute physical risk events, with a more clear manifestation of chronic physical risks.

With regard to risks relating to real estate guarantees, it should be noted that the mortgage portfolio constitutes a relatively small portion of consolidated assets. Furthermore, the average Loan To Value of the portfolio is approximately 44%. This reduces the probability of loss for the Bank in the event of default, also following a reduction in the value of real estate collateral. In any case, when granting mortgages, the Chief Lending Officer (CLO) considers physical risk indicators in the assessment of real estate guarantees. Specifically, during the investigation phase, if the indicators show a high level of physical risk, the deliberative bodies will assess the comprehensive risk of the loan through a holistic assessment of the customer, and more restrictive in terms of Loan to Value and duration, deferring the decision, if situations of proven/substantial risk are detected, to the higher deliberative body identified by the delegated powers in force.

An indicator for real estate guarantees is active within the RAF for 2025, aimed at measuring the share of collateral properties exposed to high climate and environmental risks. The indicator, which covers both acute physical risks (landslide, seismic and hydrogeological risk) and chronic physical risks (water stress, soil erosion, sea level rise), is based on an analytical approach to identifying properties at risk, made possible by information made available by a specialized external provider. In addition to the geographical distribution, a set of qualitative information relating to individual housing units is taken into consideration, capable of mitigating physical and transition risks, including, for example, the construction quality of the property

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(seismic and energy class) and some intrinsic characteristics (e.g. the floor of the property). The indicator is calculated only on new loans, with the aim of streaming credit origination towards stable or lower physical risk profiles.

Climate and environmental risk factors, and in particular acute and chronic physical risks, are integrated into the Loss Given Default (LGD) estimation model for mortgages. Specifically, mortgages loans on properties that are more exposed to climate and environmental risks will have a higher LGD. Consequently, in the context of the calculation of expected credit losses, the Bank will calculate higher provisions on these positions, while in the context of the calculation of the credit risk internal capital, these positions will have a higher capital absorption.

Also on real estate guarantees, a specific ICAAP stress test exercise is regularly carried out which envisage a reduction in the value of the real estate collateral underlying mortgage loans and located in areas with high climate and environmental risk, with a consequent increase in the value of the LGD, credit provisions, and of credit risk internal capital.

Assets acquired as collateral also include financial collateral pledged against the opening of secured overdraft facilities originated by the Parent Company. The securities acquired as collateral could in fact be affected by market volatility following the worsening of chronic physical risk factors, shall they cause stress to the entire economic sector. It should be noted, however, that the value of the collateral is monitored on a daily basis, and in the event that it falls below certain limits, the Bank has the right, ensured by the contractual provision of the mandate to sell, to sell the financial instruments and repay the debt.

Finally, physical risk factors, particularly chronic ones, could lead to the default or downgrade of financial and sovereign counterparties exposed to high climate and environmental risks. Looking ahead, considering the efforts of category standard setters to direct rating agencies towards incorporating climate and environmental assessments into their summary judgments on the solvency of counterparties, the latter could suffer a worsening of their creditworthiness. This eventuality would lead to greater write-downs on loans and a greater absorption of economic capital for the Group companies exposed to such counterparties. In the worst cases, the risk could lead to a default of the most exposed counterparties. It should be noted, however, that, as a general rule, the Group requires its counterparties to have a credit rating at least equal to investment grade, which identifies an intrinsically low credit risk. Furthermore, for assessment purposes, the Group uses a specific indicator developed by a group of researchers from the US University of Notre Dame, called ND Gain ¹⁹.

Finally, it should be noted that a specific ICAAP stress test exercise is regularly carried out on the risk of default or downgrade of financial and sovereign counterparties exposed to high climate and environmental risks. The latter involves the downgrade of the countries mostly exposed to climate and environmental risks. In the ICAAP 2024 stress test, in line with the exposures held by the Group, the counterparties considered were China and Saudi Arabia. The downgrade determines a higher PD of the aforementioned institutional counterparties, and consequently higher credit provisions and internal capital for credit risks.

Transition risks, in particular those related to changes in customer needs and preferences, could impact FinecoBank's business model as well. In particular, customers could move towards asset management products from third-party Asset Managers, with better ESG features than those manufactured by FAM, or towards intermediaries that offer products with better ESG features than those of FinecoBank, or more active in environmental sustainability initiatives. This type of risk is more concentrated in the short term, as it should decrease in the medium/long term following the refinement by the Group companies of their offer of sustainable products.

The orientation of customers towards asset management products of third-party Asset Managers with better ESG characteristics than those of FAM, essentially depends on the ability of the subsidiary Fineco Asset Management to adapt its offer of investment products to the new needs/preferences of investors, determined by the transition phase towards a more environmentally sustainable economy. The vulnerability, which is also the subject of periodic stress tests in the ICAAP context, has been mitigated with the introduction of a specific indicator within the Group's Risk Appetite Framework, aimed at ensuring that a portion of the funds offered by FAM have ESG characteristics (MSCI Rating \geq A). The indicator thresholds, which are reviewed at least on an annual basis, are calibrated on the basis of a benchmarking activity with the market.

The orientation of customers towards intermediaries that offer products with better ESG characteristics than those of FinecoBank depends essentially on the ability of FinecoBank to adapt its product offering, for example credit or investment, to the new needs of customers, determined by the transition phase towards a more environmentally sustainable economy. To this end, the sustainability function carries out benchmarking activities with the market, aimed at ensuring that the Group's sustainability profile is at least in line with that of its main competitors. Any sustainability risks associated with the release of new products are assessed by the Product Committee, which is attended by corporate control functions as well.

The orientation of customers towards intermediaries perceived as more active in environmental sustainability initiatives than FinecoBank leverages the reputation of the FinecoBank banking group, which could experience the migration of a portion of its customers to other intermediaries if it were not perceived as sufficiently active in the area of environmental sustainability. From this perspective, it is necessary to highlight that the Group, not envisaging loans to non-financial companies, and relying on third-party suppliers mainly in the ICT sector, would be unlikely to be involved in environmental scandals. Furthermore, the Group has been involved in various voluntary environmental sustainability initiatives for some time.

¹⁹ This indicator considers two fundamental quantities: the level of vulnerability of a country to climate change (" *vulnerability* ") and the readiness of the respective country in terms of economic, social and governance capacity to cope with climate change (" *readiness* "). The two indicators are compared in order to determine the exposure of that country to climate and environmental risks.

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Transition risks arising from regulatory changes could also have an impact on the business model of the Group's companies. In particular, the transition to a low-carbon economy could lead to more restrictive regulations from a climate and environmental perspective in the area of credit origination and customer's creditworthiness assessment, but also regulations aimed at directing customer capital towards more sustainable activities from a climate and environmental perspective.

New regulations in the area of credit origination and customer's creditworthiness assessment could lead to greater burden and bureaucracy in the activity of granting loans and assessing customer creditworthiness. In the case of FinecoBank, which grants credit mainly to retail counterparties, mortgage loans may be affected, for example if a regulatory change were to introduce a minimum energy class for the purchase and sale of real estate assets. As anticipated, mortgage origination does not represent the Bank's core business and constitutes a marginal share of consolidated assets.

New regulations aimed at directing customer capital towards more sustainable activities in terms of climate and environment could lead to greater burden and bureaucracy in brokerage and consultancy activities. In this respect, the FinecoBank Group ensures monitoring of legal and regulatory developments through the Compliance functions and the various specialist functions.

In order to improve monitoring and disclosure in the area of climate and environmental risks, the Fineco Group collects certain information from customers, including, for example, data on the energy class of properties used as collateral for mortgages loans. For useful information in the area of climate and environmental risks that are more difficult to obtain, including that regarding institutional counterparties, the Group relies on a specialized external supplier.

For further information on climate and environmental risks, please refer to the relevant section of the sustainability disclosure integrated into the consolidated annual financial report as of December 31st, 2024.

Social risks

According to the EBA report on the management and supervision of ESG risks for credit institutions and investment firms, published in June 2021, social risk is defined as the risk of a negative financial impact resulting from social factors affecting the credit institution, its counterparties or its assets. Social factors are related to the rights, well-being and interests of people and communities, which include factors such as equality, health, inclusiveness, employment relations, workplace health and safety, human capital and communities.

Like all ESG risks, social risk also has a dual perspective, according to which credit institutions could both have an impact (inside-out perspective) on the community (stakeholder) and be impacted in turn by social risk factors (outside -in perspective). Both these perspectives assume relevance in the risk identification process, which will be briefly described below.

Social risks are integrated into the Group's Risk Appetite Framework, which represents the tool for monitoring the risk profile that the Group is willing to assume in the implementation of its corporate strategies and in the pursuit of sustainable profitability in conjunction with solid business growth.

Among the strategic objectives set out in the Risk Appetite Statement, in continuity with 2024, in the area of social risks, the Group's commitments are:

- to support customers in their responsible approach to their financial lives in order to create the conditions for a more prosperous and fairer society";
- contain social risks by identifying risk factors arising from socio-political dynamics (e.g. demographic and labor market trends), technological and market dynamics, directing the business towards risk mitigation and orientation towards opportunities;
- take on a social role by promoting financial education to strengthen customer skills, improving understanding of financial products and promoting more informed investment and financial planning decisions;
- maintain and, if possible, increase customer satisfaction to the highest levels, particularly in terms of transparency, quality and completeness of the offering;
- provide customers, within the product offering (investment and brokerage), and other stakeholders, within the sustainability reporting, with increasing, detailed and transparent information on ESG issues, avoiding involvement in greenwashing practices;
- conduct the Group's activities while maintaining an adequate ethical profile and protecting the Institute's reputation in line with strategic objectives;
- have an optimal Internal Control System with effective and efficient procedures in managing each risk aligned with the needs and expectations of stakeholders.

The Risk Dashboard 2025, in continuity with that of 2024, incorporates several indicators to monitor social risks. Among these, the Gross Litigation Ratio is worth mentioning. Such indicator aims to measure potential customer disservices, comparing the number of complaints received with the total number of customers.

RAF metrics are regularly monitored and reported, at least quarterly. The breach of the thresholds defined for the indicators included in the Risk Dashboard determines the activation of an escalation process towards the top management and ultimately the competent corporate bodies.

Just like Governance, Climate and Environmental risks, social risks represent a horizontal risks category, as they can produce impacts on the balance sheet, operations or reputational context of the Group exclusively through transmission channels, which are made up of financial risks (e.g. credit

Part E - Information on Risks and relating hedging policies

risks), operational risks and reputational risks. For this reason, the identification and analysis of these risk categories occurs in parallel with the traditional categories of financial, operational and reputational risks, in a specific section of the Risk Inventory called “ESG Risk Deep Dive”.

The “ESG Risk Deep Dive” identifies all ESG risk factors that could potentially negatively impact the business model and, more generally, the operations along the Group's value chain, both upstream (e.g. third-party suppliers) and downstream (e.g. customers). For each risk factor, the transmission channels towards financial risks (e.g. credit and business risk), operational and reputational risks are identified (if present), as well as the related vulnerabilities and mitigation factors determined by the Group's peculiarities. The main financial metrics that could be impacted if the risk factor were to occur are also identified. For more information on the risk identification process, please refer to the section on climate and environmental risks.

With the exception of Greenwashing risk, which involves different categories of stakeholders, social risks are divided according to the different groups of stakeholders of the company. Specifically, the social risk factors identified in the risk inventory can be traced back to the following categories:

- Risk of Greenwashing;
- Risks related to employees;
- Risks related customers;
- Risks related to third-party suppliers;
- Risks related to financial markets.

Greenwashing risk represents the risk of providing customers or the market (stakeholders) with untrue or misleading information, through statements, press releases or disclosure that does not adequately reflect the sustainability profile of the entity or of a financial product/service. The associated risk factors are therefore inherent to the publication of press releases or reports containing untrue or misleading information about the sustainability profile of FinecoBank, and the placement of products to customers whose information does not adequately reflect the sustainability profile of the underlying activities. In the event that the Bank's communications were labelled by the market as Greenwashing, the Group could suffer reputational damage with the consequent flight of a portion of customers towards third-party intermediaries. From a forward looking perspective, the risk could increase in the medium term (from 2 to 5 years) in view of greater regulation of Greenwashing from a regulatory point of view (e.g. sanctioning profiles). In the event of placement of investment products to customers, including those of third-party companies, which were subsequently found to be subject to Greenwashing, FinecoBank could experience operating losses due to complaints and lawsuits filed by customers and consumer associations. Furthermore, in the event that the Group's involvement in a Greenwashing scandal were to have media coverage, the Group could suffer reputational damage with the consequent flight of a portion of customers towards third-party intermediaries.

It should be noted that the process of creating, approving and publishing the contents of communications to customers and the market, including marketing communications, follows a strict internal approval process that includes first-level controls, carried out directly by the structure responsible for producing the information, and subsequent checks by compliance and legal structures and all the offices concerned. All communications made to customers are generated and published by Fineco's internal staff, without the involvement of external third parties, to further guarantee privacy and control over the publication flow. Finally, specific controls concerning Greenwashing asset management products are in place. Such controls, which are carried out both by FinecoBank and Fineco Asset Management, are aimed at verifying the consistency of the classification of these products with the underlying assets.

With regard to employees, it should be noted that the FinecoBank Group is committed to creating a culture of inclusion aimed at avoiding any type of discrimination. To this end, an integrity charter has been adopted that guarantees, among other things, the protection of human rights and a Global Policy that guarantees gender equality, both directly applicable to personnel belonging to the FinecoBank Group (financial advisors and employees). Among the risks inherent to employees, the Risk Inventory process has identified the risk of not being able to attract or retain a workforce with adequate skills and experience and the risk of not being able to guarantee health and safety within the workplace.

The risk of not being able to attract or retain a workforce with adequate skills and experience has been identified on a forward looking basis, and could be determined specifically by social, structural and technological changes that require the recruitment of professionals with new skills compared to those already employed. The risk could be mitigated both by ensuring adequate training for employees already hired and by improving the company's attractiveness for current and potential employees through appropriate remuneration policies, as well as welfare and work-life balance policies. In any case, the Group's corporate functions are frequently subject to right-staffing activities aimed at verifying the adequacy of resources dedicated to carrying out the various activities. In the case of financial advisors belonging to the sales network, on a forward looking basis, the risk could be increased by the entry into the market of new competitors who implement particularly aggressive commercial strategies. In this case, the transmission channel is represented by business risk, since following the resignation of individual consultants or groups of consultants who hold significant shares of Asset Under Management (AUM), the clients loyal to the consultant could decide to follow him to the competitor.

The risk of not being able to guarantee health and safety in the workplace is a very remote possibility, but it certainly has a social impact. In this case, the Group companies could suffer financial losses due to compensation and legal costs relating to disputes with employees, and lose attractiveness from a reputational point of view towards other current or potential employees. From this perspective, it should be noted that the Group companies scrupulously apply the rules and measures required in terms of health and safety protection in the workplace (respectively by Italian regulations, for the parent company FinecoBank, and Irish regulations, for the subsidiary Fineco Asset Management).

Part E - Information on Risks and relating hedging policies

With reference to customers, the Group promotes a relationship based on criteria of trust, accessibility of products and services and strict compliance with professional ethics, based on an excellent offer and fair pricing, within the three integrated business areas of banking, investing and brokerage. The Bank has also established a strict communication process with the primary objective of ensuring maximum protection of customers and their personal data and maximum transparency of communication. The most significant risks identified in this area are conduct risk, the risk of not being able to guarantee the privacy of customers' personal data and the risk of not being able to guarantee customers access to financial services.

Conduct risk is intrinsic to the business model of the parent company FinecoBank, which focuses on brokerage and consultancy activities for retail customers, and is the current or forward looking risk of incurring losses following an inappropriate offer of financial services, whether voluntary or negligent, and the resulting legal costs. This type of risk includes both internal fraud, committed by internal personnel (employees and financial advisors) to the detriment of customers, and misselling events. The latter are configured as a sale, by consultants belonging to the network, of financial products that are inconsistent or incongruent with the needs, preferences or risk profile of customers. In both cases, the Group could incur in costs for the compensation of the customers involved and legal costs, in the event that customers take action through the judicial authorities.

In order to mitigate conduct risk, the Group has implemented an extensive system of controls on its sales network, which involves all three levels of the lines of defense. These controls are aimed at identifying anomalies in the work of Financial Advisors or their associated customers, and to allow the relevant structures to promptly intervene. Early identification of conduct risk allows losses to be limited and any reputational consequences to be contained. The results of the controls carried out by all structures are centralized in a single specialized structure within the Network Controls, Monitoring and Network Services Department.

Since the Group mainly uses digital channels, the risk of not being able to guarantee the privacy of customers' personal data and the risk of not being able to guarantee customers access to financial services are factors closely linked to ICT and security risk. The second could occur through the theft, publication or dissemination of customers' personal data to unauthorized third parties. The first instead derives from losses suffered by customers caused by the inability to dispose of their assets and access financial markets. In both cases, the Group could suffer both direct losses due to reimbursements for complaints or lawsuits with customers, and experience a decline in business volumes due to the loss of trust in the company.

In order to mitigate ICT and Security risk, the Group maintains, in accordance with Regulation 2554/2022 (DORA), an ICT risk management and monitoring framework. The objective of this framework is to ensure that Group companies are able to withstand and respond to various types of disruptions and threats related to information and communication technologies (ICT), as well as recover from them, ensuring a high level of digital operational resilience. The Group's objective is also to protect its customers and operations by ensuring data security, including availability, confidentiality, and integrity.

Other social risk factors relating to customers are the risk of change in customer preferences, already examined in the context of transition risks in the section on climate and environmental risks, and the risk of withdrawal of deposits by customers following social events (e.g. wars) or environmental events (extreme weather events). In fact, customer demand deposits constitute the Bank's main source of financing, and a reduction in these would result in less liquidity available to the Bank. However, from this perspective, it should be noted that most of the securities that constitute FinecoBank's assets are HQLA eligible with Central Banks to obtain liquidity. Furthermore, analyses on liquidity in situations of social or environmental stress, to date, do not suggest that in such situations customer liquidity tends to decrease.

As far as third-party suppliers are concerned, the risk inventory process has identified the risk that the latter are not compliant with the regulations applicable to them or with the company's ethical standards, with a possible involvement of the Group in scandals of social relevance. In this respect, it should be noted that the Group mainly uses industry-leading companies, subject to the laws and regulations of countries belonging to the European Union or third countries with equivalent legislative standards. Under this profile, it should be noted that the Group has adopted the Global Policy "Management and control framework for risk arising from third-party suppliers", which aims to ensure that risks arising from third-party and intra-group suppliers are identified, mitigated, managed and monitored consistently across all companies belonging to the Group. Among the minimum requirements of the supplier to be assessed in the context of due diligence, the Global Policy requires that suppliers act in an ethical and socially responsible manner, ensuring respect for human rights, minors (e.g. prohibition of child labor) and workers (health and safety), as well as compliance with applicable rules and standards in the field of environmental protection. Third-party suppliers are also contractually obliged to comply with the code of ethics and conduct.

With regard to financial markets, the risk inventory process has identified a series of risks connected to market risks. In this respect, it should be noted that only the Parent Company FinecoBank has exposures to market risk, which are however limited and limited to activities functional to brokerage activity with customers (there are no open directional positions). In this context, the risk inventory process has identified as risk factors the adverse price variations, due to the occurrence of social or environmental risk factors, of the financial instruments measured at fair value within the Balance Sheet and those held by the Group as collateral to guarantee current account credit facilities. The instruments measured at fair value coincide with the exposures functional to brokerage activity with customers, and are subject to the stringent risk limits defined by the Dealing on Own Account Policy and to stop-loss mechanisms. Furthermore, the market risk of these positions is closed at the end of the day. The financial instruments acquired as collateral for secured overdrafts are instead subject to a daily Mark to market activity, and in the event of a significant reduction in value, in any case greater than the amount entrusted, they are sold, after notification to the customer, directly by the Bank through the mandate to sell.

Part E - Information on Risks and relating hedging policies

In order to remain up to date in the field of management and monitoring of social risks, the Parent Company carries out careful monitoring of regulatory innovations and market best practices through the specialist supervision of the Risk Management function and the Compliance.

For further information on social risks, please refer to the relevant section of the sustainability disclosure integrated into the consolidated annual financial report as of December 31st, 2024.

Governance risks

According to the EBA report on the management and supervision of ESG risks for credit institutions and investment firms, published in June 2021, governance risk is defined as the risk of a negative financial impact resulting from governance factors affecting the credit institution, its counterparties or its assets. Governance factors concern governance practices, including leadership, executive remuneration, audits, internal controls, anti-tax avoidance, board independence, shareholder rights, anti-corruption and anti-bribery, as well as how companies or entities include environmental and social factors in their policies and procedures.

Governance risks, like Social, Climate and Environmental risks, represent an horizontal risk category, as they produce impacts on the balance sheet, operations or reputational context of the Group exclusively through transmission channels, which are made up of financial risks (e.g. credit risks), operational risks and reputational risks.

In the case of Governance risks, the Risk Inventory process carried out by the Parent Company identified as the main risk factors, non-compliance with internal governance, non-compliance with ethical standards and the risk of the Group's involvement, even involuntary, in money laundering or terrorist financing activities.

Non-compliance with internal governance and non-compliance with ethical standards are risk factors that fall within the scope of Compliance risk. The latter represents the risk of incurring judicial or administrative sanctions, significant financial losses or reputational damage as a result of violations of laws, regulations, or self-regulatory rules or codes of conduct.

Carrying out operations, whether ordinary or extraordinary, in violation of internal procedures, or without the involvement of the competent Bodies or functions, could result in operational losses for the Group, for example in the case of errors committed by personnel without the necessary controls having been carried out. Financial losses could also occur, for example if certain projects do not involve all the functions capable of identifying the related risks and identifying adequate mitigation measures.

Failure by personnel to comply with ethical standards could also result in direct economic damage for Group companies, for example if the supply of certain goods or services were entrusted to third-party suppliers following acts of corruption. An example of indirect economic damage, on the other hand, is represented by sanctions imposed by the Supervisory Authority following acts of corruption, in the event that anti-corruption measures were deemed insufficient. Furthermore, in the event of acts of corruption, the Group's image with stakeholders could be compromised, with consequent reputational damage.

The Group's involvement, even involuntary, in money laundering or terrorist financing activities could result in the application of sanctions or the imposition of restrictions by the Supervisory Authority (for example a restriction on the acquisition of new customers), if for example the control framework is not deemed sufficiently robust.

The risk factors identified above must be contextualized within the organizational model of the FinecoBank Group, which is based on the three lines of defense model, and complies with the internal governance standards developed by the European Banking Authority and the Bank of Italy. The latter envisage the establishment of control functions independent from those subjects they are tasked to control, with direct access to the Board of Directors. Specifically:

- the Risk Control function oversees the correct functioning of the Group's risk framework by defining the appropriate methodologies for identifying and measuring the complex of current and forward looking risks, in compliance with regulatory requirements and the Bank's management choices identified in the Group's risk appetite (RAF), carrying out the relevant controls;
- the Compliance function oversees the management of the risk of non-compliance with internal and external regulations, and carries out the related controls within its jurisdiction;
- the Anti-Money Laundering and Anti-Corruption function oversees the risk of money laundering, terrorist financing and corruption, continuously identifying the external regulations applicable to the Bank and measuring/evaluating their impact on corporate processes and procedures in the area of anti-money laundering, countering terrorist financing, financial sanctions and anti-corruption;
- The Internal Audit function carries out an independent audit activity aimed at evaluating and improving the internal control system.

The group is also equipped with:

- a framework for relevant transactions, which envisage the release by the risk control function of a non-binding opinion, aimed at verifying the consistency of the transaction with the Risk Appetite Framework;
- a strategy for spreading the Risk Culture and Compliance Culture at every level of the organization through a series of activities, including mandatory training for all staff;

Part E - Information on Risks and relating hedging policies

- an integrity charter and code of conduct that incorporates the Group's values and defines a "zero tolerance" policy for acts of corruption;
- a control framework for related party transactions;
- a reporting framework for misconduct by employees and third parties and protecting whistleblowers .

For further information on governance risks, please refer to the relevant section of the sustainability disclosure integrated into the consolidated annual financial report as of December 31st, 2024.

Section 3 – Insurance companies risk

No information to report.

Section 4 – Other companies' risk

No information to report.

Part F - Consolidated shareholders' equity

Section 1 - Consolidated Shareholders' equity

A. Qualitative information

Group capital management is aimed at ensuring that prudential ratios are consistent with the risk profile assumed and comply with regulatory requirements.

The monitoring of capital adequacy is ensured by the capital management activity where the size and optimal combination among the various capitalization instruments are defined, in compliance with regulatory constraints and in line with the risk profile assumed by the Group.

The Group assigns a priority role to the activities aimed at the management and allocation of capital according to the risks assumed, for the purpose of developing its operations with a view to creating value. The activities are articulated in the different phases of the planning and control process and, in particular, in the plan and budget processes and in the monitoring processes. In the dynamic management of capital, therefore, the Parent Company draws up the capital plan and monitors the regulatory capital requirements, anticipating the necessary actions to achieve the objectives.

Capital and its allocation are therefore extremely important in defining long-term strategies, since, on the one hand, it represents the shareholders' investment in the Group, which must be adequately remunerated, and, on the other hand, it is a scarce resource on which there are exogenous limits, defined by supervisory regulations. In this regard, it should be noted that, at the end of the Supervisory Review and Evaluation Process (SREP), on December 3rd, 2024 the European Central Bank communicated the Pillar 2 Requirement (P2R) applicable to the FinecoBank Group as of January 1st, 2025, unchanged from those required for 2024: 2.00% in terms of Total Capital Ratio, of which 1.13% in terms of Common Equity Tier 1 ratio and 1.50% in terms of Tier 1 Ratio.

In addition to these requirements, Fineco Group must comply with the Combined Buffer Requirement consisting of the following reserves:

- Capital Conservation Buffer (CCB) consistent with Article 129 of CRD IV equal to 2.5% of the Group's total risk exposure;
- Institution specific countercyclical capital buffer (CCyB) to be applied during periods of excessive credit growth consistent with Article 160 of CRD IV (paragraphs 1 to 4), which for the Group is 0.14% as of June 30, 2025. This reserve is calculated according to the geographic distribution of the Group's material credit exposures and the decisions of individual national competent authorities defining the specific coefficients applicable in each country;
- Systemic risk buffer (SyRB) defined by the Bank of Italy for all banks authorised in Italy to be applied at the rate of 1% to risk-weighted exposures for credit and counterparty risk to Italian residents, which for the Group is 0.41% as at 30th June, 2025.

With regard to the leverage ratio the minimum requirement is 3%.

Part F - Consolidated shareholders' equity

B. Quantitative information

B.1 Consolidated Shareholders' Equity: breakdown by type of company

(Amounts in € thousand)

Equity items	Prudential consolidation	Insurance companies	Other companies	Consolidation adjustments and eliminations	Total
1. Capital	201,820	-	-	-	201,820
2. Emission Fees	1,934	-	-	-	1,934
3. Reserves	1,241,967	-	-	-	1,241,967
4. Capital Instruments	500,000	-	-	-	500,000
5. (Own shares)	(1,280)	-	-	-	(1,280)
6. Valuation reserves:	(17,988)	-	-	-	(17,988)
- Financial assets (different from capital securities) measured at fair value with an impact on overall profitability	406	-	-	-	406
- Actuarial gains (losses) on defined benefit plans	(18,402)	-	-	-	(18,402)
- Provisions for valuation reserves related to equity investments valued at shareholders' equity	8	-	-	-	8
7. Profit (Loss) of Exercise (+/-) of Group and Third Parties	317,836	-	-	-	317,836
Total	2,244,289	-	-	-	2,244,289

B.2 Revaluation reserves for financial assets at fair value through comprehensive income: breakdown

(Amounts in € thousand)

Assets/values	Prudential consolidation		Insurance companies		Other companies		Consolidation adjustments and eliminations		Total	
	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve	Positive reserve	Negative reserve
1. Debt securities	3,064	(2,658)	-	-	-	-	-	-	3,064	(2,658)
2. Equity securities	-	-	-	-	-	-	-	-	-	-
3. Loans	-	-	-	-	-	-	-	-	-	-
Total 06/30/2025	3,064	(2,658)	-	-	-	-	-	-	3,064	(2,658)
Total 12/31/2024	2,829	(2,956)	-	-	-	-	-	-	2,829	(2,956)

Part F - Consolidated shareholders' equity

B.3 Revaluation reserves for financial assets at fair value through comprehensive income: annual changes

(Amounts in € thousand)

	Debt securities	Equity securities	Loans
1. Opening balance	(127)	-	-
2. Increases	597	-	-
2.1 Fair value increases	591	-	-
2.2 Adjustments for credit risk	6	X	-
2.3 Reclassification through profit or loss of realised negative reserves	-	X	-
2.4 Transfer from other shareholder's equity item (equity securities)	-	-	-
2.5 Other changes	-	-	-
3. Decreases	(64)	-	-
3.1 Fair value reductions	(59)	-	-
3.2 Recoveries for credit risk	(5)	-	-
3.3 Reclassification through profit or loss of realised positive reserves	-	X	-
3.4 Transfer to other shareholder's equity item (equity securities)	-	-	-
3.5 Other changes	-	-	-
4. Closing balance	406	-	-

B.4 Revaluation reserves on defined benefit obligations: annual changes

(Amounts in € thousand)

	Actuarial gains (losses) on defined benefits plans
1. Opening balance	(18,929)
2. Increases	527
2.1 Fair value increases	527
2.2 Other changes	-
3. Decreases	-
3.1 Fair value reductions	-
3.2 Other changes	-
4. Closing balance	(18,402)

Section 2 - Own funds and banking regulatory ratios

Please refer to the information on own funds and the capital adequacy contained in the document "FinecoBank Group public disclosure – Pillar III as of 30 June 2025", published on the Company's website (<https://about.finecobank.com>), as required by Regulation (EU) 575/2013 subsequently Regulations modifying its content.

Part H - Related-party transactions

Information on the fees paid to key management personnel and on related-party transactions, pursuant to IAS 24 is shown below.

1. Details of compensation for key management personnel

Key management personnel are persons having authority and responsibility within the Parent Company for planning, directing, and controlling the Companies' activities, directly or indirectly. This category includes Board members and members of the Board of Statutory Auditors of FinecoBank, pursuant to requirements of the Bank of Italy Circular no. 262 of December 22, 2005 as amended and updated, as well as the Chief Executive Officer and General Manager, the Deputy General Manager/GBS Manager, the Chief Financial Officer, the Deputy General Manager/PFA Network Commercial and Private Banking Manager, the Deputy General Manager/Global business Manager. This category also includes key management personnel (by which is meant, members of the management and control bodies, the latter where present) of Fineco AM, the only Group company in addition to the Parent Company FinecoBank.

Items/sectors	(Amounts in € thousand)	
	Total 06/30/2025	Total 06/30/2024
Remuneration paid to "Key Management Personnel", Directors and the Board of Statutory Auditors		
a) short-term benefits	5,000	4,611
b) post-employment benefits	163	219
<i>of which under defined benefit plans</i>	-	-
<i>of which under defined contribution plans</i>	163	219
c) other long-term employee benefits	160	259
d) termination benefits	-	-
e) share-based payments	1,519	1,205
Total	6,842	6,294

2. Related-party transactions

At its meeting of September 17th, 2024 and with the prior favourable opinion of the Risk and Related Parties Committee and the Board of Statutory Auditors, the Board of Directors, to ensure continued compliance with applicable legal and regulatory provisions on the corporate disclosure of transactions with related parties and persons in conflict of interest, approved the new version of the Global Policy "Procedure for the management of transactions with persons in potential conflict of interest of the FinecoBank Group" (the "Global Policy").

The aforementioned Global Policy includes the provisions to be complied with when managing:

- related parties transactions pursuant to the Consob Regulation adopted by resolution on March 12, 2010, no. 17221 as amended and updated from time to time (most recently by Consob Resolution No. 21624 of 10 December 2020);
- transactions with associated persons pursuant to the regulations on "*Risk activities and conflicts of interest with Associated Persons*", laid down by Chapter 11 of Bank of Italy Circular No. 285 of 17 December 2013 (setting out the "Supervisory Provisions for Banks"), as supplemented following Update No. 33 of 23 June 2020;
- obligations of bank officers pursuant to Article 136 of Legislative Decree 385 on September 1, 1993, showing the "*Consolidated Law on Banking*";
- transactions with other relevant persons in potential conflict of interest as defined by the Bank on a self-regulatory basis, taking into account the applicable legal and regulatory provisions;
- loans granted to Directors (i.e. members of the administrative, management and control bodies) and their related parties, pursuant to art. 88 of the CRD.

Considering the above, during first half 2025, intercompany transactions and transactions with other Italian and foreign related parties, smaller transactions, were conducted within the ordinary course of the Group's business and related financial activities, and were carried out under standard conditions or conditions similar to those applied to transactions with unrelated third parties; in the same period, no other transactions were undertaken with related parties that could significantly affect the Bank's and the FinecoBank Group's asset situation and results, or atypical and/or unusual transactions, including intercompany and related party transactions.

Part H - Related-party transactions

The following statement shows the outstanding assets, liabilities, guarantees and commitments as at June 30th, 2025, for each group of related parties pursuant to IAS 24:

(Amounts in € thousand)

	Amounts as at 06/30/2025							
	Non consolidated subsidiaries	Associates	Directors, board of statutory auditors and key management personnel	Other related parties	Total	% of carrying amount	Shareholders	% of carrying amount
Financial assets at amortised cost b) loans and receivable to customers	-	-	2,416	26	2,442	0.01%	7,193	0.03%
Other assets	-	28	-	-	28	0.00%	-	0.00%
Total assets	-	28	2,416	26	2,470	0.01%	7,193	0.02%
Financial liabilities at amortised cost b) deposits from customers	-	-	3,343	2,067	5,410	0.02%	1,732	0.01%
Other liabilities	-	497	232	-	729	0.14%	-	0.00%
Total liabilities	-	497	3,575	2,067	6,139	0.02%	1,732	0.01%
Commitments and financial guarantees given	-	-	894	150	1,044	1.87%	-	0.00%

It should be noted that the table above does not include the balance sheet value of the equity investments held in associated companies recognised in the balance sheet item 70 Equity investments.

With regard to the above transactions, broken down by type of related party, details of the impact on the main items of the consolidated income statement are also proposed consolidated income statement:

(Amounts in € thousand)

	Income Statement 1st half 2025							
	Non consolidated subsidiaries	Associates	Directors, board of statutory auditors and key management personnel	Other related parties	Total	% of carrying amount	Shareholders	% of carrying amount
Interest income and similar revenues	-	-	11	4	15	0.00%	-	0.00%
Interest expenses and similar charges	-	-	(1)	(3)	(4)	0.01%	-	0.00%
Fee and commission income	-	-	3	4	7	0.00%	12,806	2.34%
Fee and commission expenses	-	(928)	-	-	(928)	0.35%	(3,453)	1.28%
Impairment losses/writebacks	-	-	-	-	-	0.00%	(1)	0.03%
Administrative expenses a) staff expenses	-	(34)	-	-	(34)	0.05%	-	0.00%
Other net operating income	-	-	57	13	70	0.06%	-	0.00%
Total income statement	-	(962)	70	18	(874)		9,352	

It should be noted that a legal subject, falling under the category of "Shareholders" as at June 30th, 2025, appears to have been one of the first borrowers of a portion of the senior preferred bond issued by FinecoBank during 2021 (the Shareholder was not such at the date of placement) and the senior preferred bond instrument issued by FinecoBank in the first half of 2023, but nothing has been reported in the tables above as the instrument is a listed public placement and no information is available on the holders of the security at the balance sheet date.

The "Associates" category includes transactions with Vorvel Sim S.p.A., a company under significant influence, in which FinecoBank holds a 20% stake for a balance sheet amount of € 1,686 thousand. The above income statement and balance sheet transactions originate from the agreement entered by the Bank with Vorvel Sim S.p.A. for the trading, on the Vorvel, of certificates issued by Fineco. With reference to the transactions with Vorvel SIM S.p.A., it should be noted that the above table does not include the valuation at equity of the Company, which resulted in the recognition of a write-back of € 10 thousand in first half 2025 income statement.

With regard to the category "Directors, Board of Statutory Auditors and Key Management Personnel", in application of the special regulations laid down in Article 136 of Legislative Decree 385/93 (Consolidated Law on Banking), the obligations established for persons that perform administrative, management and control functions pursuant to those regulations were unanimously approved by a resolution of the Board of Directors with the favourable vote of all members of the Board of Statutory Auditors, in accordance with Article 136 of said Consolidated Law on Banking.

The category "Directors, Board of Statutory Auditors and Key Management Personnel" includes the Directors, Board of Statutory Auditors and Key Management Personnel of the Parent Company dealings (excluding their remuneration, which are discussed in point 1. *Details of compensation for*

Part H - Related-party transactions

key management personnel), Key Management Personnel of the Subsidiary Fineco AM (meaning the members of the administrative and supervisory bodies, where present, with the exclusion of the relevant remuneration referred to in point 1 above) and dealings with the Head of Internal Audit of FinecoBank, attributable to the Group's normal operations and implemented by applying, where applicable, the agreements reserved for all employees. The relationships are mainly represented by assets arising from the granting of mortgages, overdraft facilities, credit card use and liabilities for liquidity deposited by them with the Bank. The income statement for the first half 2025 mainly refers to the costs and revenues generated from the aforesaid assets and liabilities and the recovery of stamp duty.

The "Other related parties" category, if any, includes:

- close family members of key management personnel (i.e., relatives who could be expected to influence, or be influenced by the party involved);
- companies controlled (or jointly controlled) by, or associated with, "key management personnel" or their close family members.

Transactions with "Other related parties" are attributable to the Group's normal operations and mainly refer to liabilities for liquidity deposited by them with the Bank and, to a residual extent, by assets originating from credit card receivables. The income statement for the first half 2025 mainly refers to the costs and revenues generated from the aforesaid assets and liabilities and the recovery of stamp duty.

The "Shareholders" category includes the shareholders and their subsidiaries holding which at June 30th, 2025 held an investment in FinecoBank higher than 3% of the share capital represented by shares with voting rights. The balance sheet amounts include for current receivables and debts associated with the provision of financial services referring to the commissions to be cashed for the placement and management of asset management products. The income statement includes the same fees and commissions accrued for the first half 2025.

Part L - Segment reporting

Segment reporting information is not provided as the Fineco's particular business model provides for a high level of integration among its different activities including the activity carried-out by the Irish subsidiary Fineco AM thanks to the vertically integrated business model, thus it is not significant to identify distinct operating sectors.

The banking and investment services are offered by FinecoBank through a network of personal financial advisors and online and mobile channels, that operate in a coordinated and integrated manner. The fully-comprehensive nature of the services offered allows to act as a one-stop solution for customers' banking and investment requirements. This strategy, which is strongly anchored to the customer, means that revenues and margins relative to various products/services (investing, banking and brokerage) are highly interdependent on each other. This integration approach has also inspired top management in setting company targets and identifying the means to achieve them.

As regards information on revenues from customers by product/service, in view of the above, reference should be made to information in Part C - Information on the consolidated income statement of these notes to the accounts.

It is note worthing that the Bank mainly targets retail customers in Italy. The subsidiary Fineco AM carries out asset management activities from Ireland in accordance with the UCITS Directive and the AIFMD, currently targeting Italy as the reference market for its clients.

Information concerning the degree of dependency on main customers is therefore considered by top management as not relevant and is not therefore disclosed.

Part M – Leasing

Section 1 - Lessee

Qualitative information

The leasing contracts that fall within the scope of application of the standard IFRS 16 are represented by the lease contracts of the properties used by the Group and by the financial shops used by financial advisors and managed directly by the Bank, in addition to lease contracts for machinery and cars.

The Group is potentially exposed to outgoing financial flows, for variable payments due for leasing (in particular referring to the ISTAT revaluation), not included in the initial valuation of the lease liability.

The Group has determined the duration of the lease, for each individual contract, considering the "non-cancellable" period during which it has the right to use the underlying asset and taking into account all the contractual aspects that can change this duration, including, in particular, the possible presence of:

- periods covered by a right of resolution (with related penalties) or an option to extend the lease to the lessee, the lessor alone, or to both, even at different periods over the duration of the contract;
- periods covered by an option to purchase the underlying asset.

In general, with regard to contracts that provide the option right for the Bank or the subsidiary to automatically renew the lease at the end of an initial contractual period, the duration of lease has determined based on historical experience (in particular for the Bank) and the information available at the date, considering in addition to the non-cancellable period also the period subject to the extension option (first contract renewal period), except for the existence of business plans to dispose of the leased asset as well as clear and documented assessments by the competent Group structures that lead to consider reasonable the failure to exercise the option to renew or exercise the termination option, also taking into account, with particular regard to the financial centers in use by the financial advisors of the Bank, the commercial strategies of recruitment and territorial organization of the network.

The Group has not provided guarantees on the residual value of the leased asset and has no commitments for the stipulation of lease contracts not included in the value of the lease liability recognized in the financial statements.

In accordance with the rules set by the standard, which grants exemptions in this regard, contracts underlying the so-called "Low-value assets" (for which the threshold was set at € 5 thousand) mainly consisting of mobile phone rental contracts, all leasing contracts with a contractual duration of 12 months or less (so-called "short term lease") it was decided not to apply the principle to the leasing of intangible assets (mainly represented by software leasing). For these contracts, the related fees are recognized in the income statement on accrual basis for the corresponding duration.

Quantitative information

With regard to the information on the rights of use acquired with the lease, please refer to Part B - Assets - Section 9 - Tangible assets - Item 90 of these notes to the consolidated accounts.

With regard to the information on the lease liabilities, please refer to Part B - Liabilities - Section 1 - Financial liabilities at amortized cost - Item 10 of these notes to the consolidated accounts.

Furthermore, with regard to the information on:

- interest expenses on leasing liabilities, please refer to Part C - Section 1 - Item 20;
- the other charges connected with the rights of use acquired with the lease, please refer to Part C - Section 14 - Net impairments / write-backs on property, plant and equipment - Item 210.

It should be noted that no gains and losses deriving from sale and leaseback transactions have been recorded, as well as income deriving from sub-lease transactions.

Part M – Leasing

The depreciation recognized for the year for right-of-use assets by class of underlying asset is shown below:

(Amounts in € thousand)

Assets	Depreciation 1st half 2025	Depreciation 1st half 2024
Right of use	-	-
1. Property, plant and equipment	(5,671)	(5,594)
1.1 land	(43)	(42)
1.2 buildings	(5,492)	(5,426)
1.3 office furniture and fittings	-	-
1.4 electronic systems	-	(2)
1.5 other	(136)	(124)

As of June 30, 2025, there are no short-term leasing commitments for which the cost has not already been recognized in the income statement for the first half of 2025.

Section 2 - Lessor

Qualitative information

The Group has leasing operation, in its capacity as lessor, represented exclusively by lease contract of the surface of a part of the property owned by FinecoBank, located in Milan Piazza Durante, 11, classified as operating lease in the financial statements.

With reference to the ways in which the lessor manages the risk associated with the rights it maintain on the underlying assets, it should be noted that the contract include clauses that prohibit the tenant from transferring the contract to third parties without the written consent of the lessor, periodic updates of the rent according to the ascertained variation of the ISTAT index for consumer prices for the families of workers and employees and a contractual expiry at the end of which, in the event of non-renewal where required, the lease contract ceases and the premises fall within the availability of the lessor.

Quantitative information

Payments due for operating leases have been recognized in the consolidated income statement as income. For more details, please refer to Part C - Section 16 - Other operating income and charges - Item 230 of these notes to the accounts.

1. Balance sheet and income statement information

The Group has not recognised leasing loans. As regards the activities granted under operating leasing, as previously described, the Group has leasing transaction in place as lessor represented by leasing contract for a part of the property owned by FinecoBank, located in Milan Piazza Durante, 11.

The payments due for the operating lease have been recognized, on an accrual basis, in the consolidated income statement as income. For more details, please refer to that illustrated in Part C - Section 16 - Other operating expenses and income - Item 230 of these notes to the accounts.

2. Financial lease

2.1 Classification by time bands of the payments to be received and reconciliation with the loans for leasing entered in the assets

No data to report.

Part M – Leasing

2.2 Other information

No data to report.

3. Operating lease

3.1 Classification by time bands of the payments to be received

A maturity analysis of the undiscounted lease payments to be received is shown below. It should be noted that the payments refer to the contractual rents provided for in the lease contract of part of the property owned by FinecoBank, which allow tenants to withdraw early in compliance with the notice provided in the contract.

(Amounts in € thousand)

Maturity ranges	Total 06/30/2025	Total 12/31/2024
	Lease payments receivables	Lease payments receivables
Up to one year	136	179
Over one year up to 2 years	-	45
Over 2 years up to 3 years	-	-
Over 3 years up to 4 years	-	-
Over 4 years up to 5 years	-	-
For over 5 years	-	-
Total	136	224

3.2 Other information

As indicated above, the Group has leasing transaction in place as a lessor represented by leasing contract for a part of the property owned by FinecoBank, located in Milan Piazza Durante, 11. For information on the methods with the which the Group manages the risk associated with the rights it retains on the underlying assets, please refer to the paragraph "Qualitative information" included in this section.

Reconciliation of reclassified consolidated accounts to mandatory reporting schedule

(Amounts in € thousand)

ASSETS	Amounts as at	
	06/30/2025	12/31/2024
Cash and cash balances = item 10	1,603,940	1,962,876
Financial assets held for trading	46,224	28,539
20. Financial assets at fair value through profit or loss a) financial assets held for trading	46,224	28,539
Loans to banks	419,121	370,733
40. Financial assets at amortised cost a) receivables to banks	2,702,739	2,508,514
less: Financial assets at amortised cost a) receivables to banks - Debt securities	(2,283,618)	(2,137,781)
Loans to customers	6,169,028	6,235,643
40. Financial assets at amortised cost b) receivables to customers	28,669,082	27,219,605
less: Financial assets at amortised cost b) receivables to customers - Debt securities	(22,500,054)	(20,983,962)
Financial investments	25,091,833	23,425,447
20. Financial assets at fair value through profit or loss c) other financial assets mandatorily at fair value	5,727	5,620
30. Financial assets at fair value through other comprehensive income	300,748	296,410
70. Equity investments	1,686	1,674
Financial assets at amortised cost a) receivables to banks - Debt securities	2,283,618	2,137,781
Financial assets at amortised cost b) receivables to customers - Debt securities	22,500,054	20,983,962
Hedging instruments	453,127	527,272
50. Hedging derivatives	610,194	677,547
60. Changes in fair value of portfolio hedged financial assets (+/-)	(157,067)	(150,275)
Property, plant and equipment = item 90	144,174	146,296
Goodwill = item 100. Intangible assets of which: goodwill	89,602	89,602
Other intangible assets = item 90 net of goodwill	34,579	35,242
Tax assets = item 110	30,275	53,250
Tax credits acquired	847,707	1,259,059
Other assets	429,567	554,858
130. Other assets	1,277,274	1,813,917
less: Tax credit acquired	(847,707)	(1,259,059)
Total assets	35,359,177	34,688,817

Reconciliation of reclassified consolidated accounts to mandatory reporting schedule

(Amounts in € thousand)

LIABILITIES AND SHAREHOLDERS' EQUITY	Amounts as at	
	06/30/2025	12/31/2024
Due to banks	859,635	850,600
10. Financial liabilities at amortised cost a) due to banks	859,635	850,600
Due to customers	30,680,880	29,988,914
10. Financial liabilities at amortised cost a) due to customers	30,680,880	29,988,914
Debt securities in issue	804,934	810,228
10. Financial liabilities at amortised cost c) debt securities in issue	804,934	810,228
Financial liabilities held for trading = item 20	26,464	8,130
Hedging instruments	43,642	45,321
40. Hedging derivatives	45,488	48,485
50. Changes in fair value of portfolio hedged financial liabilities (+/-)	(1,846)	(3,164)
Tax liabilities = item 60	11,148	19,519
Other liabilities	688,185	576,793
80. Other liabilities	519,723	406,358
90. Provisions for employee severance pay	4,057	4,364
100. Provisions for risks and charges	164,405	166,071
Shareholders' equity	2,244,289	2,389,312
- capital and reserves	1,944,441	1,756,076
140. Equity instruments	500,000	500,000
150. Reserves	1,241,967	1,053,594
160. Share premium reserve	1,934	1,934
170. Share capital	201,820	201,630
180. Treasury shares (-)	(1,280)	(1,082)
- revaluation reserves	(17,988)	(19,049)
120. Revaluation reserves of which: financial assets at fair value through other comprehensive income	406	(127)
120. Revaluation reserves for actuarial net gains (losses) for defined benefit plans	(18,402)	(18,929)
120. Revaluation reserve of which: changes in valuation reserve pertaining to equity method investments	8	7
- Net profit = item 200	317,836	652,285
Total liabilities and Shareholders' equity	35,359,177	34,688,817

Reconciliation of reclassified consolidated accounts to mandatory reporting schedule

(Amounts in € thousand)		
INCOME STATEMENT	1st half	
	06/30/2025	06/30/2024
Financial margin	315,041	363,257
of which Net interest	315,840	361,498
30. Net interest margin	314,878	360,669
+ net commissions on Treasury securities lending	962	829
of which Profits from Treasury	(799)	1,759
+ gains (losses) on disposal or repurchase of: a) financial assets at amortised cost - debt securities (unimpaired)	(799)	1,759
Dividends and other income from equity investments	10	8
70. Dividend income and similar revenue	403	100
less: dividends from held-for-trading equity instruments included in item 70	(388)	(80)
less: dividends from equity investments and equities mandatorily at fair value equity instruments included in item 70	(15)	(20)
+ writebacks (write-downs) of investments accounted for using the equity method	10	8
Net commissions	278,231	257,182
60. Net commissions	279,193	258,011
less: net commissions on Treasury securities lending	(962)	(829)
Net trading, hedging and fair value income	52,151	37,708
80. Gains (losses) on financial assets and liabilities held for trading	52,466	38,533
90. Fair value adjustments in hedge accounting	(653)	(1,337)
110. Gains (losses) on financial assets and liabilities at fair value through profit or loss	(65)	412
+ dividends from held-for-trading equity instruments included in item 70	388	80
+ dividends from mandatorily at fair value equity instruments included in item 70	15	20
Net other expenses/income	(1,082)	148
230. Other operating income/charges	109,475	96,987
less: other operating income/charges - of which: recovery of expenses	(111,067)	(97,510)
less: net impairment/write-backs of leasehold improvements	510	671
100. Gains (losses) on disposal or repurchase of: a) financial assets at amortised cost (unimpaired)	(799)	1,759
less: gains (losses) on disposal or repurchase of: a) financial assets at amortised cost - debt securities (unimpaired)	799	(1,759)
REVENUES	644,351	658,303
Staff expenses	(73,783)	(67,023)
190. Administrative expenses - a) staff expenses	(73,783)	(67,023)
Other administrative expenses	(196,904)	(178,214)
190. Administrative expenses - b) other administrative expenses	(196,392)	(212,886)
less: contributions to the Single Resolution Fund (SRF), Deposit Guarantee Systems (DGS) and Life Insurance Guarantee Fund	(2)	35,343
+ adjustments of leasehold improvements	(510)	(671)
Recovery of expenses	111,067	97,510
230. Other operating income/charges - of which: recovery of expenses	111,067	97,510
Impairment/write-backs on intangible and tangible assets	(13,506)	(12,617)
210. Net impairment/write-backs on property, plant and equipment	(11,335)	(10,350)
220. Net impairment/write-backs on intangible assets	(2,171)	(2,267)
Operating costs	(173,126)	(160,344)
OPERATING PROFIT (LOSS)	471,225	497,959
Net impairment losses on loans and provisions for guarantees and commitments	(2,573)	(1,689)
130. Net impairment/writebacks on: a) financial assets at amortised cost	(3,563)	(824)
less: net impairment/writebacks on: a) financial assets at amortised cost - debt securities	1,013	(995)
130. Net impairment/writebacks on: b) financial assets at fair value through other comprehensive income	-	(14)
less: net impairment/writebacks on: a) financial assets at amortised cost - debt securities	-	14
140. Profit / loss from contract changes without cancellation	(2)	1
200. Net provisions for risks and charges a) commitments and financial guarantees issued	(21)	129
NET OPERATING PROFIT (LOSS)	468,652	496,270
Other charges and provisions	(7,721)	(37,653)
200. Net provisions for risks and charges b) other net provision	(7,723)	(2,310)
+ contributions to the Single Resolution Fund (SRF), Deposit Guarantee Systems (DGS) and Life Insurance Guarantee Fund	2	(35,343)
Net income from investments	(1,013)	981
+ Net impairment/writebacks on: a) financial assets at amortised cost - debt securities	(1,013)	995
+ Net impairment/writebacks on b) financial assets at fair value through other comprehensive income - debt securities	-	(14)
250. Profit (loss) on equity investments	10	8
less: writebacks (write-downs) of investments accounted for using the equity method	(10)	(8)
PROFIT (LOSS) BEFORE TAX FROM CONTINUING OPERATIONS	459,918	459,598
Income tax for the period = item 300	(142,082)	(139,278)
NET PROFIT (LOSS) AFTER TAX FROM CONTINUING OPERATIONS	317,836	320,320
PROFIT (LOSS) FOR THE PERIOD	317,836	320,320

Certification of Condensed interim consolidated financial statements pursuant to article 81-ter of Consob regulation no. 11971 of May 14, 1999 and subsequent amendments

1. The undersigned, Alessandro Foti, as Managing Director and General Manager of FinecoBank S.p.A., and Erick Vecchi, as Nominated Official in charge of drawing up company accounts of FinecoBank S.p.A, taking into account the provisions of Article 154-bis, par. 3 and 4 of Legislative Decree 58 of February 24th, 1998, do hereby certify:

- the adequacy in relation to the Company's features and
- the actual application

of the administrative and accounting procedures used in the preparation of the Condensed interim consolidated financial statements, during the first half 2025.

2. The adequacy of the administrative and accounting procedures employed to draw up the Consolidated interim financial statements has been evaluated by applying a model defined, in accordance with the "Internal Control - Integrated Framework (CoSO)" and the "Control Objective for IT and Related Technologies (Cobit)", which are international commonly accepted standards for the internal control system and for financial reporting.

3. The undersigned also certify that:

3.1 The condensed interim consolidated financial statements:

- a) were prepared in compliance with applicable international accounting standards recognised by the European Community pursuant to European Parliament and Council Regulation 1606/2002 of July 19th, 2002;
- b) correspond to the results of the books and accounting records;
- c) are suitable to provide a fair and correct representation of the financial position and performance of the issuer and the group of companies included in the scope of consolidation;

3.2. The Consolidated interim report on operations includes a reliable analysis of the most significant events in the first six months of the financial year and their impact on the Condensed interim consolidated financial statements, together with a description of the main risks and uncertainties concerning the remaining six months of the year. The Consolidated interim financial report also contains a reliable analysis of information on significant related party transactions.

Milan, July 30th, 2025

FinecoBank S.p.A.
The Chief Executive Officer and
General Manager
Alessandro Foti

FinecoBank S.p.A.
The Manager Responsible for Preparing
the Company's Financial Reports
Erick Vecchi






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(This independent auditors' report has been translated into English solely for the convenience of international readers. Accordingly, only the original Italian version is authoritative)

Report on review of condensed interim consolidated financial statements

*To the Shareholders of
 FinecoBank S.p.A.*

Introduction

We have reviewed the accompanying condensed interim consolidated financial statements of the FinecoBank Group, comprising the consolidated balance sheet as at 30 June 2025, the consolidated income statement and the consolidated statements of comprehensive income, statement of changes in consolidated shareholders' equity and consolidated cash flows statement for the six months ended 30 June 2025 and notes to the accounts thereto. The parent's directors are responsible for the preparation of these condensed interim consolidated financial statements in accordance with the IFRS Accounting Standard applicable to interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and endorsed by the European Union. Our responsibility is to express a conclusion on these condensed interim consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with Consob (the Italian Commission for Listed Companies and the Stock Exchange) guidelines set out in Consob resolution no. 10867 dated 31 July 1997. A review of condensed interim consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the condensed interim consolidated financial statements.



FinecoBank Group

Report on review of condensed interim consolidated financial statements

30 June 2025

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed interim consolidated financial statements of the FinecoBank Group as at and for the six months ended 30 June 2025 have not been prepared, in all material respects, in accordance with the IFRS Accounting Standard applicable to interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and endorsed by the European Union.

Milano, 1 August 2025

KPMG S.p.A.

(signed on the original)

Roberto Spiller
Director of Audit

Glossary

ABS – Asset Backed Securities

Financial instruments whose performance and redemption are guaranteed by a portfolio of assets (collateral) of the issuer (usually a Special Purpose Vehicle - SPV), earmarked exclusively for the satisfaction of the rights embedded in the financial instruments.

Additional Tier 1

Equity instruments in line with the provisions of Regulation (EU) No.575/2013 (CRR) on prudential requirements for credit institutions and investment firms, which have the following characteristics:

- full discretion of the issuer in coupon payments and redemptions, also advanced, of the principal outstanding;
- the instrument is perpetual or has a maturity equal to duration of the entity;
- it maintains within the full discretion of the issuer the possibility to perform a write-up of the nominal value after the occurrence of a capital event that has determined a write-down;
- no provisions that force the issuer to provide for payments (must-pay clauses) following genuine events under the direct control of the parties.

Audit

Audit Process of controlling a company's activities and accounting, carried out either by an internal body (internal audit) or by an external firm of auditors (external audit).

Bad exposure or bad loans

Exposures to borrowers in a state of insolvency (even when not recognised in a court of law) or in an essentially similar situation, regardless of any loss forecasts made by the bank (i.e. irrespective of whether there are any – secured or personal – guarantees covering the exposures).

Banking book

Used in relation to financial instruments, particularly securities, this term identifies the portion of those portfolios intended for “proprietary” activities other than those classified in the Trading book.

Bail-in

Resolution measures adopted by the competent authorities that can involve the conversion of debt instruments into shares or the reduction in the value of liabilities, imposing losses on certain categories of creditors in accordance with the BRRD.

Basel 2

International agreement on the capital requirements of banks in relation to the risks assumed by them. This agreement has been adopted, at national level, by the respective competent supervisory authorities, including the Bank of Italy. The new prudential regulations, which came into force in Italy in 2008, are based on three pillars.

- Pillar 1: while the objective of a level of capitalisation equivalent to 8% of the risk-weighted exposures remains unchanged, a new set of rules has been defined for measuring the typical risks associated with banking and financial activities (credit risk, counterparty risk, market risk and operational risk) which provides for alternative calculation methods characterised by different levels of complexity, with the ability to use internally developed models subject to prior authorisation by the Regulatory Authority;
- Pillar 2: requires banks to have processes and tools for determining the adequate level of total internal capital (Internal Capital Adequacy Assessment Process - ICAAP) for covering all types of risk, including risks other than those covered by the overall capital requirement (Pillar 1), within the framework of an evaluation of current and future exposure that takes account of strategies and of changes in the reference context. It is the Supervisory Authority's task to examine the ICAAP process, formulate an overall judgement and, where necessary, apply the appropriate corrective measures;
- Pillar 3: introduces obligations to publish information concerning capital adequacy, exposure to risks, and the general characteristics of the systems used for identifying, measuring and managing those risks.

Basel 3

International agreement amending Basel 2 adopted in December 2010, containing amendments to the prudential rules on the capital and liquidity of banks, with the gradual entry into force of the new capital requirements from January 1st, 2014. These rules have been implemented at European level through the CRD IV “Package”.

Glossary

Bank Recovery and Resolution Directive or BRRD

Refers to the Directive approved by the European Parliament and the Council, respectively on April 15th and May 6th, 2014, regarding the establishment of a recovery and resolution framework for the crisis affecting credit institutions and investment firms (Bank Recovery and Resolution Directive).

Basis point

The bp or basis point represents 0.01% of a particular amount, or one hundredth of a percentage point. 100 basis points are equivalent to 1%.

Best practice

Behaviour commensurate with the most significant experience and/or the best level of knowledge achieved in relation to a given technical or professional field.

Budget

The budget is a financial forecast plan with a time horizon of 12 months whose essential aims are establishing the long-term/annual objectives that the Group must reach (in terms of management drivers, economic and financial results and supervisory indicators and in consideration of the current and expected macro-economic scenario), as well as defining the necessary resources and their more efficient allocation, in order to achieve expected results.

Capital conservation buffer

According to the definition contained in Article 128 of the CRD IV, this is a capital reserve whose establishment is required by the regulations – as also specified in the Supervisory Provisions – aimed at providing banks of a high quality capital buffer to be used in periods of market strain to prevent malfunctions of the banking system and avoid disruptions in the credit granting process, amounting to 2.5% of risk-weighted assets, calculated in accordance with Article 92, sub-section 3, of the CRR on an individual and consolidated basis.

CDS – Credit Default Swap

Derivative contract whereby one party (protection seller) undertakes, in return for the payment of an amount, to pay another party (protection buyer) a predetermined amount in the event of the occurrence of a predetermined event related to the deterioration of the creditworthiness of a third counterparty (reference entity).

CFD (Contract For Difference)

Derivative financial instruments whose value is directly linked to that of the underlying asset (securities, indices, currencies, bond futures, volatility index futures and commodity futures) and therefore follows its trend. In particular, the CFD provides for the payment of the price differential recorded between the moment the contract is opened and the moment it is closed.

CFO

Chief Financial Officer.

CGU – Cash Generating Unit

A cash-generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

CIO

Chief Information Officer.

Common Equity Tier 1 or CET 1

The Common Equity Tier 1 under Basel 3 mainly consists of ordinary paid-up capital, the related share premium, profit for the period, reserves and other regulatory adjustments, as provided for by the CRR regulation and the Supervisory Regulations.

Clawback clause

Action of repayment of the bonus received when, after its disbursement, intentional or negligent conduct of the employee emerges that, if it had been known at the time of disbursement, would have been sufficient not to satisfy the assessment of compliance, or that disbursement has been made in breach of legal or regulatory provisions.

CLO

Chief Lending Officer.

Glossary

Commercial loans

Loans and receivables from ordinary customers, i.e., loans granted to customers relating to drawdowns of overdraft facilities, credit cards, personal loans, mortgages and unsecured loans.

Corporate

Customer segment consisting of medium to large businesses.

Countercyclical capital buffer

The countercyclical capital buffer consisting of Common Equity Tier 1 pursuant to Supervisory Regulations, according to the concept contained in Articles 128 and 130 of the CRD IV, equal to the risk weighted assets, calculated in accordance with Article 92, paragraph 3, of the CRR by the Company's countercyclical capital buffer, determined according to the criteria established by the Supervisory Regulations at an amount ranging from 0% to 2.5%.

Covenant

The covenant is a clause, explicitly agreed upon in the contractual definition phase, whereby the lender is entitled to restructure or call in the loan upon occurrence of the events specified in the clause, which ties changes in the borrower's earnings and financial performance to default events/events modifying the contractual terms and conditions (maturity, interest rates, etc.).

Covered bond

Guaranteed Bank Bonds which, in addition to the guarantee of the issuing bank, can also benefit from the guarantee of a portfolio of mortgages or other high quality loans sold, for this purpose, to a "SPV - Special Purpose Vehicle" (q.v.).

Credit quality class

A Class, based on external ratings, which is used to assign risk weights under the standardised approach for credit risk.

CRD (Capital Requirements Directives)

EU Directive 2013/36 of the European Parliament and of the Council of June 26, 2013, which stipulates the requirements for engaging in banking activity, the freedom of establishment of banks in the European Union and freedom to provide services, prudential control, additional capital buffers and bank corporate governance. This directive has been updated from time to time, in particular with Directive (EU) 2019/878 of May 20, 2019 (CRD V) and Directive (EU) 2024/1619 of May 31, 2024 (CRD VI).

Credit risk

The risk that an unexpected change in the credit rating of a counterparty, the value of the collateral they have provided, or of the amount used in the event of insolvency generates an unexpected change in the lending position of the Bank.

Credit counterparty risk

The risk that the counterparty in a transaction in financial instruments may enter default before settling all the agreed cash flows.

CRM - Credit Risk Mitigation

Credit Risk Mitigation is a set of techniques, ancillary contracts to the loan or other instruments (e.g. securities, guarantees), which reduces credit risk capital requirements.

CRO

Chief Risk Officer.

Default

A party's declared inability to honour its debts and/or the payment of the associated interest.

EAD – Exposure At Default

EAD is defined as the estimation of the exposure at the time of the credit position default event.

Glossary

EBA European Banking Authority

The European Banking Authority is an independent EU Authority which works to ensure effective and consistent prudential regulation and supervision across the European banking sector.

ECA

Export Credit Agency.

ECAI

External Credit Assessment Institution.

ECB

European Central Bank. The ECB is the central bank for Europe's single currency, the euro.

Economic capital

Capital level that is required by a bank to cover the losses that may occur with at a time horizon of one year and a certain probability or confidence level. Economic Capital is a measure of the variability of the Expected Loss of the portfolio and depends on the degree of diversification of the portfolio itself.

EPS – Earnings Per Shares

An indicator of a company's profitability calculated by dividing the net profit by the average total outstanding shares (excluding treasury shares).

EPS – Diluted Earnings Per Shares

An indicator of a company's profitability calculated by dividing the net profit by the average total diluted outstanding shares (excluding treasury shares).

Expected Losses

The losses recorded on average over a one year period on each exposure (or pool of exposures).

Fair value

The price at which an asset can be traded or a liability settled in a free-market transaction between informed and independent parties.

Forbearance/Forborne exposures

According to the EBA Implementing Technical Standard, forborne exposures are exposures in respect of which forbearance measures have been extended, consisting of concessions towards a debtor facing or about to face difficulties in meeting its financial commitments ("financial difficulties").

Funding

Provision, in various forms, of the funds necessary to finance business activities or particular financial transactions.

Futures

Standardised contracts through which parties undertake to exchange money, transferable securities or goods at a set price at a future date. These contracts are traded on regulated markets, where their execution is guaranteed.

Goodwill

The additional sum paid for the acquisition of an equity interest, equal to the difference between the cost and the corresponding share of net assets, for the portion not attributable to the identifiable assets of the acquired company.

Haircut

Difference between the value of the assets pledged as collateral and the amount of credit extended in a collateralised credit operation. In securities-backed transactions, it represents the percentage of the market price (or nominal value) of a financial asset pledged as collateral which is to be deducted from the market price (or nominal value) in order to determine the collateral value.

Glossary

HNWI

High Net Worth Individual, i.e. Private customers with TFA of over € 1 million.

IAS/IFRS

International accounting standards issued by the International Accounting Standard Board (IASB), a private international body established in April 2001, involving representatives of the accounting professions of the principal countries and, as observers, the European Union, IOSCO (International Organization of Securities Commissions) and the Basel Committee. This body is the successor of the International Accounting Standards Committee (IASC), set up in 1973 to promote harmonisation of the rules for the preparation of company accounts. When the IASC became the IASB, it was decided, among other things, to name the new accounting principles "International Financial Reporting Standards" (IFRS). At international level, work is currently underway to harmonise the IAS/IFRS with the US GAAP – United States Generally Accepted Accounting Principles.

ICAAP – Internal Capital Adequacy Assessment Process

See "Basel 2 – Pillar 2".

Impairment

Within the framework of the IAS/IFRS (q.v.), this refers to the loss of value of a balance sheet asset, recorded when the book value is greater than the recoverable value, i.e. the sum that can be obtained by selling or using the asset.

Impaired loans

Loans and receivables are reviewed periodically in order to identify those that, following events occurring after initial recognition (at market value, which is, usually, equal to the amount paid including transaction costs and income directly attributable to the disbursement of the credit) show objective evidence of possible impairment. These include loans and receivables to which the status of bad loans, unlikely to pay and past due has been assigned, according to the Bank of Italy rules in line with the IAS/IFRS (q.v.).

Internal Capital

Represents the amount of capital required to cover potential losses and is required to support the business activities and positions held. Internal Capital is the sum of the aggregated Economic Capital, obtained by aggregating the different types of risk, and a cushion that considers the effects of the cycle and model risk.

(Internal) validation

Expert unit, internal but sufficiently independent, that verifies the adequacy of internal models for internal and regulatory purposes and issues a formal opinion about their usefulness and effectiveness. Usually, a prerequisite for the validation process carried out by the authorities.

Index linked

Policies whose performance at maturity depends on a benchmark parameter that may be a share index, a basket of securities or another indicator.

Interbank net position – Loans and debts to banks

The Group's net interbank position was calculated as the difference between: (i) Loans to banks, excluding debt securities and current receivables connected with the provision of financial services, recorded under Financial assets valued at amortized cost, and Current accounts and demand deposits to Central banks, recorded under Cash and cash valances and (ii) Debts to banks, excluding current payables connected with the provision of financial services and lease liabilities, recorded under Financial liabilities valued at amortized cost.

IRS – Interest Rate Swap

See "Swap".

Joint venture

Agreement between two or more companies for the conduct of a given economic activity, usually through the constitution of a joint stock company.

Ke

The cost of equity is the minimum return on investment required by the shareholder. It is the sum of a risk-free rate and an additional spread remunerating the shareholder for the credit risk and the volatility of the share price. The cost of capital is based on medium-long term averages of market parameters.

Glossary

KPI - “Key Performance Indicators”

Set of indicators used to evaluate the success of a particular activity or process.

Key Risk Indicators

The risk indicators are quantitative metrics that reflect exposure to Operational Risks of specific processes or products: the value expressed by an indicator should be related to changes in risk levels.

Knock Out Options

Knock Out Options are derivative contracts belonging to the category of barrier options. They are characterised by the fact that the option to buy or sell ceases to exist when the price of the underlying touches the predetermined Strike (also known as the “Barrier”).

Large exposures

The sum of all the exposures towards a counterparty that are equal to or more than 10% of the eligible capital of the Issuer, when: (i) the exposures are the sum of the on-balance-sheet risk assets and the off-balance-sheet operations with a counterparty, as defined by the regulations on credit risk, without applying the weighting factors established therein (these exposures do not include the risk assets deducted in the determination of the Own Funds); (ii) a counterparty is a customer or a group of connected customers.

LCR - Liquidity Coverage Ratio

Liquidity coverage ratio equal to the ratio between the credit institution's liquidity buffer, consisting of high-quality liquid assets, and the net liquidity outflows of the same over the next 30 calendar days under stressed conditions.

Leasing

Contract whereby one party (the lessor) conveys the right to use an asset to another party (the lessee) for a given period of time and in exchange for consideration.

LGD – Loss Given Default

Expected value (which may be conditional upon adverse scenarios) of the ratio, expressed as a percentage, between the loss giving rise to the default and the amount of exposure at the time of the default (“EAD - Exposure At Default”, q.v.).

Liquidity risk

The risk of the company being unable to meet its payment commitments due to the inability to liquidate assets or obtain sufficient funding from the market (funding liquidity risk) or due to the difficulty/inability to easily liquidate positions in financial assets without significantly and unfavourably affecting the price because of insufficient depth or temporary malfunction of the financial market (market liquidity risk).

Long and Short Margining

Margining is a service that allows the customer to activate securities lending transactions guaranteed by sums of money and receive liquidity from the Bank by lending specific financial instruments included in a predefined list (“Long Margining”) or to receive loans from the Bank of specific financial instruments included in a predefined list by providing liquidity (“Short Margining”).

Mark to Market

Process of valuing a portfolio of securities or other financial instruments on the basis of prices expressed by the market.

Market risk

Consists of the effect that changes in market variables can cause to the economic value of the portfolio, when it includes assets held in the trading book, as well as those posted in the banking book, both on the operations characteristically involved in commercial banking and in the choice of strategic investments.

Maturity Ladder

Instrument for managing and monitoring short-term liquidity (operational liquidity), which, by offsetting assets and liabilities whose maturity falls within each individual time band, enables the identification of mismatches (periodic and cumulative) between incoming and outgoing cash flows and, therefore, to calculate the net financial requirement (or surplus) over the period of the year.

Glossary

Minimum Requirement for Eligible Liabilities (MREL)

The Minimum Requirement for Eligible Liabilities (MREL) is set by the Resolution Authorities to ensure that a bank maintains at all times sufficient tools to facilitate the implementation of the resolution strategy defined by the Resolution Authority in the event of a crisis. The MREL aims to prevent the resolution of a bank from being dependent on public financial support and, therefore, helps to ensure that shareholders and creditors contribute to loss absorption and recapitalisation.

NAV - Net Asset Value

This is the value of the unit into which the assets of a mutual fund are divided.

Non-performing exposures

According to the EBA Implementing Technical Standards, non-performing exposures are all on-balance-sheet and off-balance-sheet exposures that satisfy the following criteria:

- the debtor is more than 90 days in arrears in the payment of a material obligation, where the conditions for setting the materiality threshold are defined in Regulation (EU) 2018/171;
- exposures for which the debtor is assessed by the Bank as unlikely to pay its credit obligations in full without realisation of collateral, regardless of the existence of any past-due amount or of the number of days past due.

NSFR - Net Stable Funding Ratio

The Net Stable Funding Ratio (NSFR) is structured to ensure that long-term assets are financed with at least a minimum amount of stable liabilities in relation to their respective liquidity risk profiles. The NSFR is aimed at limiting the excessive use of short-term wholesale deposits in periods of abundant market liquidity and encouraging a better assessment of liquidity risk based on all balance sheet and off-balance sheet items. The NSFR is defined as the ratio between the total available stable funding and the total required stable funding.

NSFR Adjusted

The NSFR Adjusted ratio is based on the regulatory ratio NSFR (Net Stable Funding Ratio) but is adjusted by maturity (i.e. by bucket) considering maturities of more than 3 and 5 years respectively. The NSFR Adjusted is therefore used to monitor and control the structural liquidity situation on maturities over the year. The NSFR is defined as the ratio between the cumulative liabilities over the year and the cumulative assets over the year.

Operational risk

The risk of losses due to errors, violations, interruptions, or damage caused by internal processes, personnel, systems or by external events. This definition includes legal and compliance risks, but excludes strategic and reputational risk. For example, losses arising from the following can be defined as operational: internal or external fraud, employment practices and workplace safety, customer claims, product distribution, fines and penalties for regulatory breaches, damage to the Company's physical assets, business disruption and system failures, and management of processes.

Option

The right, but not the commitment, acquired by the payment of a premium, to buy (call option) or sell (put option) a financial instrument at a given price (strike price) by or at a determined future date (American option/European option).

OTC – Over The Counter

Over-the-counter (OTC) trading consists of the exchange of financial instruments such as shares, bonds, derivatives or goods directly between two counterparties. The OTC markets do not have standardised contracts or buying/selling procedures and are not associated with a set of rules (admissions, controls, obligations of information, etc.) like those that govern the official markets.

Own funds or Total Capital

The own funds of a bank consist of a series of regulatory defined items (excluding the negative items to be deducted), classified based on capital quality and loss absorbing capacity. From January 1st, 2014, after the CRR came into force, Own Funds consists of the sum of Tier 1 capital and Tier 2 capital.

Past-due and/or overdrawn impaired exposures

On-balance sheet exposures, other than those classified as bad loans or unlikely to pay that are past due or overdrawn at the reporting date. They represent the total exposure to any borrower not included in the unlikely to pay and bad loans categories, who at the reporting date has expired facilities or unauthorised overdrafts that are more than 90 days past due and exceeding the materiality thresholds defined in Delegated Regulation (EU) 2018/171.

Glossary

Payout ratio

The percentage of net income that is distributed to shareholders. The percentage paid out is determined mainly on the basis of the company's self-financing needs and the return expected by shareholders.

PD – Probability of Default

Default Probability of a counterparty entering into a situation of "default" (q.v.) within a period of one year.

Private banking

Financial services aimed at "high-end" private customers for the global management of financial needs.

Rating

Evaluation of the quality of a company or its issues of debt securities on the basis of the company's financial soundness and prospects. This evaluation is made either by specialist agencies or by the bank on the basis of internal models.

Retail

Customer segment consisting principally of private individuals, self-employed professionals, traders and artisans.

Risk Taking Capacity

Ratio between Available Financial Resources and Internal Capital.

Risk-weighted assets

See the item "RWA - Risk-Weighted Assets".

RWA - Risk-Weighted Assets

It is the value of on-balance sheet and off-balance sheet risk-weighted assets on the basis of different weighting factors according to the class in which the exposure is classified and its credit quality, in accordance with the banking regulations issued by the regulatory authorities for the calculation of the solvency ratios.

Sensitivity

The greater or lesser degree of sensitivity with which certain assets or liabilities react to changes in rates or other reference parameters.

Sensitivity Analysis

Sensitivity analysis quantifies the change in value of a financial portfolio resulting from an unfavourable change in major risk factors (interest rate, exchange rate, equity).

Significant increase in credit risk "SICR"

Criterion used to check Stage transition. If the credit risk of the financial instrument is significantly increased after initial recognition, the value adjustments are equal to the expected losses over the life of the instrument (lifetime ECL).

Systemic Risk Buffer

Article 133 of the CRD provides for the possibility that each Member State may introduce a Systemic Risk Buffer (SyRB) for the financial sector or for one or more subsets of that sector, on all exposures or on a subset of exposures, in order to prevent and mitigate macro-prudential or systemic risks not covered by the CRR and Articles 130 and 131 of the same Directive, in the sense of a risk of disruption to the financial system which may have serious negative consequences for the financial system and the real economy of a given Member State. For banks and banking groups authorised in Italy, the possibility of introducing a capital buffer against systemic risk was adopted by the Bank of Italy in the update No. 38 of Circular No. 285.

Spread

This term is normally used to denote the difference between two interest rates, the spread between bid and ask prices in securities trading, or the mark-up that the issuer of securities pays in addition to a reference rate.

Glossary

SPV – Special Purpose Vehicle

An entity – partnership, limited company or trust – set up to pursue specific objectives, such as isolating financial risk or obtaining special regulatory or tax treatment for specific portfolios of financial assets. SPV's operations are accordingly limited by a set of rules designed for this purpose. In general the SPVs' sponsors (q.v.) do not hold equity in them. The equity is held by other entities in order to ensure that there is no shareholder relationship with the Sponsor (q.v.). SPVs are usually bankruptcy-remote, in that their assets cannot be claimed by the creditors of the sponsor, even if the latter becomes insolvent.

Swap

A transaction that generally consists of the exchange of financial streams between operators according to different contractual arrangements. In the case of an interest rate swap (IRS), the counterparties exchange payment streams that may or may not be linked to interest rates, calculated on a notional principal amount (for example, counterparty pays a stream on the basis of a fixed rate, while the other does so on the basis of a variable rate). In the case of a currency swap, the counterparties exchange specific amounts in two different currencies, with these amounts being exchanged back in due course according to predefined arrangements that may concern both the capital (notional) and the streams of interest payments.

Targeted Longer-Term Refinancing Operations (TLTRO)

Targeted Longer-Term Refinancing Operations (TLTRO) programmes offer credit institutions in the euro area financing with multi-year maturities aimed at improving the functioning of the monetary policy transmission mechanism by supporting the provision of bank credit to the real economy.

Tier 1 Capital

Tier 1 capital (tier 1) includes Common Equity Tier 1 - CET1 and Tier 1 additional capital (Additional Tier 1 - AT1).

Tier 1 Capital Ratio

The percentage of a bank's Tier 1 Capital (q.v.) to its risk weighted assets "RWA – Risk Weighted Assets" (q.v.).

Tier 2 Capital

Tier 2 capital is mainly composed of eligible subordinated liabilities not included in Tier 1 capital (q.v.).

Trading Book

Positions held for trading are those held intentionally for a subsequent sale in the near term and/or assumed with the intention of benefiting, in the short term, from the differences between buying and selling prices, or other price or interest rate interest variations.

UCI – Undertakings for Collective Investment

This term includes "UCITS – Undertakings for Collective Investment in Transferable Securities" (q.v.) and collective investment funds (real estate collective investment funds, closed-end investment funds).

UCITS – Undertakings for Collective Investment in Transferable Securities

This term covers open-end real estate investment funds, both Italian and foreign, and investment companies with variable capital. The latter are joint stock companies that have the sole purpose of collective investment of the assets gathered through a public offer of their own shares.

Unlikely to pay

On-balance and off-balance sheet exposures, which do not meet the conditions to be classified as bad loans. The classification as "unlikely to pay" derives from the assessment of the debtor's unlikeliness (without actions such as realisation of collateral) to repay fully his credit obligation (principal and/or interest). This assessment is made independently of any past due and unpaid amount (or instalment). The classification of an exposure as unlikely to pay is not necessarily tied to evident issues (non-repayment), but is rather linked to indicators of a potential default of the borrower.

VaR – Value at Risk

A method used for quantifying risk. It measures the maximum potential loss that can be expected to be generated within a specified period and with a specified probability.

Glossary

Alternative Performance Measures (“APMs”)

Alternative Performance Measures are used in the Consolidated Interim Report on Operations, the content and, where applicable, the calculation methods used of which are described below, with the exception of the APMs presented in the reclassified income statement and balance sheet contained in the Consolidated Interim Report on Operations, for which reference should be made to the reconciliation schedules with the consolidated and individual financial statements contained in the Annexes.

Advance Advisory Service

Advanced Advisory Services include those forms of advice for which there is a specific fee paid directly by the customer to the intermediary for providing the service offered, in fee only and fee on top modes.

Advance Advisory Service/TFA

This is the ratio of Advanced Advisory Services (q.v.) to TFAs (q.v.), as represented the table in in the section “Performance of total financial assets” presented in the Consolidated Interim Report on Operations to which reference should be made.

Items	06/30/2025	12/31/2024
Advanced Advisory Services (Amounts in €/000)	35,944,443	34,519,685
TFA (Amounts in €/000)	147,814,450	140,765,772
Advanced Advisory Services/TFA	24.3%	24.5%

Assets Under Management

Mainly includes UCITS and other investment funds, insurance products, assets under custody under advisory. For a numerical reconciliation, please refer to the tables in the section “Performance of total financial assets” presented in the Consolidated Interim Report on Operations.

Assets Under Custody

Mainly includes equities, bonds and third-party deposits. For a numerical reconciliation, please refer to the tables in the section “Performance of total financial assets” presented in the Consolidated Interim Report on Operations.

Glossary

Bad loans/Loans with ordinary customers

Ratio of Bad exposures (q.v.), as represented in the table “Impaired assets” to which reference should be made, to Loans to ordinary customers, as represented in the table “Loans to Customers (Management Reclassification)” to which reference should be made.

Consolidated

Items	06/30/2025	12/31/2024
Bad exposures (Amounts in €/000)	1,036	793
Loans to ordinary customers (Amounts in €/000)	5,208,841	5,242,769
Bad loans/Loans receivable to ordinary customers	0.02%	0.02%

Individual

Items	06/30/2024	12/31/2023
Bad exposures (Amounts in €/000)	1,108	1,110
Loans to ordinary customers (Amounts in €/000)	5,221,250	5,535,383
Bad loans/Loans receivable to ordinary customers	0.02%	0.02%

Cost/income ratio

The ratio of operating costs to revenues, as presented in the reclassified income statement to which reference should be made. It is one of the main key performance indicators of the bank's efficiency: the lower the ratio, the more efficient the bank.

Consolidated

Items	06/30/2025	12/31/2024	06/30/2024
Operating costs (Amounts in €/000)	173,126	331,998	160,344
Revenues (Amounts in €/000)	644,351	1,316,475	658,303
Cost/Income Ratio	26.87%	25.22%	24.36%

Individual

Items	06/30/2025	12/31/2024	06/30/2024
Operating costs (Amounts in €/000)	160,193	308,993	148,995
Revenues (Amounts in €/000)	593,223	1,267,730	609,523
Cost/Income Ratio	27.00%	24.37%	24.45%

Glossary

Cost of Risk

The ratio of Net impairment of loans to customers in the last 12 months, referring only to loans to ordinary customers, and to loans to ordinary customers (average of the averages of the last four quarters, calculated as the average balance at the end of the quarter and the balance at the end of the previous quarter). It is one of the risk indicators of bank assets: the lower the ratio, the less risky the bank assets.

Items	06/30/2025	12/31/2024	06/30/2024
Net impairment of loans to ordinary customers (Amounts in €/000)	3,237	2,391	2,963
Loans to ordinary customers (Amounts in €/thousand) (average of the averages of the last four quarters, calculated as the average balance at the end of the quarter and the balance at the end of the previous quarter)	5,186,428	5,263,064	5,475,430
Cost of Risk (bps)	6	5	5

Coverage ratio

The Coverage ratio represents the percentage of a given aggregate of credit exposures covered by an impairment provision and is calculated as the ratio of the amount of the impairment provision to the gross exposure. For a numerical reconciliation of Coverage (Bad loans, Unlikely to pay, Past-due loans and Total impaired loans), please refer to the table "Impaired Assets" in the "Loans to customers" section of the Consolidated Report on Operations.

Direct deposits

Current accounts, repos and time deposits. For a numerical reconciliation, please refer to the tables in the section "Performance of total financial assets" presented in the Consolidated Interim Report on Operations.

Direct deposits/Total liabilities and Shareholders' equity

Ratio of direct deposits (see item), as represented in the table "Total financial assets" to which reference should be made, to total liabilities and Shareholders' equity, as represented in the table of the condensed balance sheet to which reference should be made.

Consolidated

Items	06/30/2025	12/31/2024
Direct deposits (Amounts in €/000)	30,012,790	29,668,225
Total liabilities and Shareholders' equity (Amounts in €/000)	35,359,177	34,688,817
Direct deposits/Total liabilities and Shareholders' equity	84.88%	85.53%

Individual

Items	06/30/2025	12/31/2024
Direct deposits (Amounts in €/000)	30,012,790	29,668,225
Total liabilities and Shareholders' equity (Amounts in €/000)	35,263,058	34,616,797
Direct deposits/Total liabilities and Shareholders' equity	85.11%	85.71%

Glossary

EVA (Economic Value Added)

EVA is an indicator of the value created by a company. It shows the Company's ability to create value; calculated as the difference between net profit (loss) for the period excluding extraordinary net income from investments with related tax effects, and the figurative cost of the allocated capital. The latter was calculated using both the regulatory capital at the end of the period and the net book value at the end of the period. EVA published in the 2024 consolidated first half financial report was calculated using both the average of the year's quarters regulatory capital and shareholders' equity (average of quarters end) as the denominator, therefore, the comparative figure for June 2024 was recalculated and restated.

(Amounts in € thousand)

Items	06/30/2025	12/31/2024	06/30/2024
+ Net profit (loss) for the period	317,836	652,285	320,320
- extraordinary net income from investments with related tax effects	-	-	-
+ figurative cost of regulatory capital	(41,500)	(82,915)	(38,668)
EVA (calculated on regulatory capital)	276,336	569,370	281,652

(Amounts in € thousand)

Items	06/30/2025	12/31/2024	06/30/2024
+ Net profit (loss) for the period	317,836	652,285	320,320
- extraordinary net income from investments with related tax effects	-	-	-
- figurative cost of the book value of shareholders' equity	(110,643)	(275,488)	(127,675)
EVA (calculated on book value of shareholders' equity)	207,193	376,797	192,645

Financial investments/Total assets

Ratio of Financial investments, as represented in the reclassified balance sheet to which reference should be made, to Total Assets.

Consolidated

Items	06/30/2025	12/31/2024
Financial investments (Amounts in €/000)	25,091,833	23,425,447
Total assets (Amounts in €/000)	35,359,177	34,688,817
Financial investments/Total assets	70.96%	67.53%

Individual

Items	06/30/2025	12/31/2024
Financial investments (Amounts in €/000)	25,093,129	23,426,909
Total assets (Amounts in €/000)	35,263,058	34,616,797
Financial investments/Total assets	71.16%	67.68%

Financial margin/Revenues

Ratio of the financial margin to revenues, as represented in the reclassified income statement, to which reference should be made.

Items	06/30/2025	12/31/2024	06/30/2024
Financial margin (Amounts in €/000)	315,041	711,162	363,257
Revenues (Amounts in €/000)	644,351	1,316,475	658,303
Financial margin/Revenues	48.89%	54.02%	55.18%

Glossary

Income from brokerage and other income

Income from brokerage and other income include the items Net commissions, Net trading, hedging and fair value income and Net other expenses/income, as represented in the reclassified income statement to which reference should be made.

(Amounts in €/000)

Items	06/30/2025	12/31/2024	06/30/2024
Net commission	278,231	527,026	257,182
Net trading, hedging and fair value income	52,151	79,043	37,708
Net other expenses/income	(1,082)	(773)	148
Income from brokerage and other income	329,300	605,296	295,038

Income from brokerage and other income/Operating costs

Ratio of the Income from brokerage and other income (q.v.) and Operating costs, as represented in the reclassified income statement to which reference should be made.

Items	06/30/2025	12/31/2024	06/30/2024
Income from brokerage and other income (Amounts in €/000)	329,300	605,296	295,038
Operating costs (Amounts in €/000)	173,126	331,998	160,344
Income from brokerage and other income/Operating costs	190.21%	182.32%	184.00%

Income from brokerage and other income/Revenues

Ratio of the Income from brokerage and other income (q.v.) and Revenues, as represented in the reclassified income statement to which reference should be made.

Items	06/30/2025	12/31/2024	06/30/2024
Income from brokerage and other income (Amounts in €/000)	329,300	605,296	295,038
Revenues (Amounts in €/000)	644,351	1,316,475	658,303
Income from brokerage and other income/Revenues	51.11%	45.98%	44.82%

Indirect TFA

Balance at the reference date of the sum of Assets Under Management (q.v.) and Assets Under Custody (q.v.).

IRB – Internal Rating Based

Method for determining the capital needed to cover credit risk within the framework of Pillar 1 of Basel 2 (see item). The rules are applied to the exposures of the banking book. Furthermore, in the IRB methods the risk weightings of the assets are determined on the basis of the bank's own internal evaluations of the debtors (or, in some cases, of the transactions). Using systems based on internal ratings, the banks determine the weighted risk exposure.

Glossary

Loans to banks/Total assets

Ratio of the Loans to banks, as represented in the t reclassified balance sheet ,to which reference should be made, to the total assets.

Consolidated

Items	06/30/2025	12/31/2024
Loans to banks (Amounts in €/000)	419,121	370,733
Total assets (Amounts in €/000)	35,359,177	34,688,817
Loans to banks/Total assets	1.19%	1.07%

Individual

Items	06/30/2025	12/31/2024
Loans to banks (Amounts in €/000)	388,900	355,522
Total assets (Amounts in €/000)	35,263,058	34,616,797
Loans to banks/Total assets	1.10%	1.03%

Loans to ordinary customers

Loans to ordinary customers include solely to loans granted to customers (current account overdrafts, credit cards, personal loans, mortgages and unsecured loans). For a numerical reconciliation, please refer to the table in in the section "Performance of total financial assets" presented in the Consolidated interim report on operations.

Loans to ordinary customers/Total assets

Ratio of the Loans to ordinary customers (q.v.), as represented in the table "Loans to Customers (Management Reclassification)" presented in the Consolidated interim report on operations to which reference should be made, to the total assets.

Consolidated

Items	06/30/2025	12/31/2024
Loans to ordinary customers (Amounts in €/000)	5,208,841	5,242,769
Total assets (Amounts in €/000)	35,359,177	34,688,817
Loans receivable to ordinary customers/Total assets	14.73%	15.11%

Individual

Items	06/30/2025	12/31/2024
Loans receivable to ordinary customers (Amounts in €/000)	5,208,841	5,242,769
Total assets (Amounts in €/000)	35,263,058	34,616,797
Loans receivable to ordinary customers/Total assets	14.77%	15.15%

Glossary

Loans to ordinary customers/Total financial assets

Ratio of the Loans to ordinary customers (q.v.), as represented in the table “Loans to Customers (Management Reclassification)” presented in the Consolidated interim report on operations to which reference should be made, to Total Financial Assets (TFA, see item), as represented the table in the section “Performance of total financial assets” presented in the Consolidated interim report on operations.

Consolidated

Items	06/30/2025	12/31/2024
Loans to ordinary customers (Amounts in €/000)	5,208,841	5,242,769
Direct deposits (Amounts in €/000)	30,012,790	29,668,225
Loans to ordinary customers/Direct deposits	17.36%	17.67%

Individual

Items	06/30/2025	12/31/2024
Loans to ordinary customers (Amounts in €/000)	5,208,841	5,242,769
Direct deposits (Amounts in €/000)	30,012,790	29,668,225
Loans to ordinary customers/Direct deposits	17.36%	17.67%

Non-performing loans/Loans to ordinary customers

Ratio of the Impaired loans (q.v.), as represented in the table “Impaired assets” to which reference should be made, to Loans receivable to ordinary customers, as represented in the table “Loans to customers (Management Reclassification)” presented in the Consolidated Interim report on operations to which reference should be made.

Consolidated

Items	06/30/2025	12/31/2024
Impaired loans (Amounts in €/000)	7,720	4,116
Loans to ordinary customers (Amounts in €/000)	5,208,841	5,242,769
Impaired loans/Loans to ordinary customers	0.15%	0.08%

Individual

Items	06/30/2025	12/31/2024
Impaired loans (Amounts in €/000)	7,720	4,116
Loans to ordinary customers (Amounts in €/000)	5,208,841	5,242,769
Impaired loans/Loans to ordinary customers	0.15%	0.08%

Glossary

Operating costs/TFA

Ratio of operating costs, annualised for data as at June 30th, as presented in the reclassified income statement to which reference should be made, to Total Financial Assets average (TFA, see item), as presented in the table "Total financial assets" in Consolidated interim report on operations to which reference should be made. It is one of the main ratios of the Bank's management efficiency: the lower the value expressed by this ratio, the greater the bank's efficiency.

Items	06/30/2025	12/31/2024	06/30/2024
Annualised operating costs (Amounts in €/000)	346,252	331,998	320,688
TFA average (Amounts in €/000)	144,290,112	131,661,137	126,915,468
Operating Costs/TFA	0.24%	0.25%	0.25%

RAROE- Risk adjusted Return on Equity

An indicator calculated as the ratio between net profit (loss) for the period less cost of capital and shareholders' equity at the end of period, excluding revaluation reserves, where the cost of capital is calculated on the capital absorbed, determined using the CET1 ratio Tolerance.

Items	06/30/2025	12/31/2024	06/30/2024
Net profit (loss) less cost of capital (*) (Amounts €/000)	552,671	569,370	562,448
Shareholders' equity at the end of period (Amounts in €/000)	2,262,275	2,408,361	2,221,277
RAROE	24.43%	23.64%	25.32%

(*) With regard to the calculation of the above ratio, the half-year net profit (loss) has been annualised.

RARORAC - Risk adjusted Return on Risk adjusted Capital

An indicator calculated both as the ratio between EVA, annualized for data as of June 30, and the regulatory capital at the end of the period and as the ratio between EVA, annualized for data as of June 30, and book value of shareholders' equity at the end the period and expresses in percentage terms the capacity to create value per unit of risk taken. RARORAC published in 2024 consolidated first half financial report was calculated using both the average of the year's quarters regulatory capital and shareholders' equity (average of quarters end) as the denominator, therefore, the comparative figure for June 2024 was recalculated and restated.

Items	06/30/2025	12/31/2024	06/30/2024
EVA (calculated on regulatory capital)	552,671	569,370	563,304
Regulatory Capital at the end of period (Amounts in €/000)	841,795	719,120	672,320
RARORAC (calculated on regulatory capital)	65.65%	79.18%	83.79%

Items	06/30/2025	12/31/2024	06/30/2024
EVA (calculated on accounting capital) (Amounts in €/000)	414,386	376,797	385,290
Shareholders' equity at the end of period (Amounts in €/000)	2,244,287	2,389,312	2,214,661
RARORAC (calculated on shareholders' equity)	18.46%	15.77%	17.40%

Glossary

ROA - Return on Assets

Ratio of net profit (loss) for the period after tax, as represented in the reclassified income statement to which reference should be made, to total assets, as represented in the reclassified balance sheet to which reference should be made.

Items	06/30/2025	12/31/2024	06/30/2024
Net profit (loss) for the period (*) (Amounts in €/000)	635,672	652,285	640,640
Total assets (Amounts in €/000)	35,359,177	34,688,817	32,781,770
ROA - Return on Assets	1.80%	1.88%	1.95%

(*) With regard to the calculation of the above ratio, the half-year net profit has been annualised.

ROAC – Return On Risk Allocated Capital

An indicator calculated both as the ratio of net profit (loss) for the period and the regulatory capital at the end of the period and as the ratio between net profit (loss) for the period and book value of shareholders' equity at the end of the period. ROAC published in the 2024 consolidated first half financial report was calculated using both the average of the year's quarters regulatory capital and shareholders' equity (average of quarters end) as the denominator, therefore, the comparative figure for June 2024 was recalculated and restated.

Items	06/30/2025	12/31/2024	06/30/2024
Net profit (loss) for the period (*) (Amounts in €/000)	635,672	652,285	640,640
Regulatory Capital at the end of period (Amounts in € thousand)	841,795	719,120	672,320
ROAC (calculated on regulatory capital)	75.51%	90.71%	95.29%

Items	06/30/2025	12/31/2024	06/30/2024
Net profit (loss) for the period (*) (Amounts in €/000)	635,672	652,285	640,640
Shareholders' equity at the end of period (Amounts in €/000)	2,244,287	2,389,312	2,214,661
ROAC (calculated on shareholders' equity)	28.32%	27.30%	28.93%

(*) With regard to the calculation of the above ratio, the half-year net profit has been annualised.

ROE – Return on Equity

Ratio between net profit (loss) for the period and the shareholders' equity at the end of period (excluding the revaluation reserves). ROE published in the 2024 consolidated first half financial report was calculated using the average shareholders' equity (average of quarters end) as the denominator, therefore, the comparative figure for June 2024 was recalculated and restated.

Items	06/30/2025	12/31/2024	06/30/2024
Net profit (loss) for the period (*) (Amounts in €/000)	635,672	652,285	640,640
Shareholders' equity (Amounts in €/000)	2,262,277	2,408,361	2,221,277
Return Of Equity (ROE)	28.10%	27.08%	28.84%

(*) With regard to the calculation of the above ratio, the half-year net profit has been annualised.

Glossary

Shareholders' equity (net profit included)/Total liabilities and Shareholders' equity

Ratio of Shareholders' equity (net profit included) and Total liabilities and Shareholders' equity, as represented in the condensed balance sheet, to which reference should be made.

Consolidated

Items	06/30/2025	12/31/2024
Shareholders' equity (net profit included) (Amounts in €/000)	2,244,289	2,389,312
Total liabilities and Shareholders' equity (Amounts in €/000)	35,359,177	34,688,817
Shareholders' equity (net profit included)/Total liabilities and Shareholders' equity	6.35%	6.89%

Individual

Items	06/30/2025	12/31/2024
Shareholders' equity (net profit included) (Amounts in €/000)	2,174,268	2,346,503
Total liabilities and Shareholders' equity (Amounts in €/000)	35,263,058	34,616,797
Shareholders' equity (net profit included)/Total liabilities and Shareholders' equity	6.17%	6.78%

Total Financial Assets - TFA

Assets Under Management (q.v.), Assets Under Custody (q.v.) and Direct Deposits (q.v.). For a numerical reconciliation, please refer to the table in the section "Performance of total financial assets" presented in the Consolidated Interim Report on Operations. Total Financial Asset is also represented with reference to the clients of the Financial Advisor Network only.

Total net sales

Sum of sales during the reporting period net of redemptions made during the same period with reference to Assets Under Management (q.v.), Assets Under Custody (q.v.) and Direct deposit from customers (q.v.). For a numerical reconciliation, please refer to the table in the section "Performance of total financial assets" presented in the Consolidated Interim Report on Operations. Total net sales are also shown with reference to customers of the Financial Advisor Network only.

